

SIRA

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# Annual Report 2024–25

State Insurance  
Regulatory Authority





An aerial photograph of a coastal landscape. On the left, white waves break onto a sandy beach. To the right of the beach is a small building with a light-colored roof. Further right is a winding asphalt road with a yellow line, and a narrow path leads up a grassy hill. The background shows more of the coastline with rocks and waves.

# Acknowledgement of Country

SIRA acknowledges, respects and values Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands on which we live, walk and work. We pay our respects to Elders past, present and future. We recognise and remain committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships, and continuing connection to their lands, waters, and seas. We acknowledge their history here on these lands and their rich contribution to our society. We also acknowledge our Aboriginal employees who are an integral part of our diverse workforce, and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and cultures.



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**State Insurance  
Regulatory Authority**



The Hon Jihad Dib MP  
Minister for Customer Service and Digital Government  
Parliament House  
Sydney NSW 2000

Dear Minister,

**Submission of State Insurance Regulatory Authority 2024-25 Annual Report**

We are pleased to submit for your information and presentation to Parliament the Annual Report of the State Insurance Regulatory Authority (SIRA), for the financial year ending 30 June 2025.

This report summarises our major activities and achievements for 2024-25 as the regulator of the workers compensation, compulsory third party, and home building compensation insurance schemes in NSW.

This report has been prepared in accordance with relevant legislation and regulations, including:

- *Government Sector Finance Act 2018 (including Division 7.3)*
- *Workplace Injury Management and Workers Compensation Act 1998 (s22(2)(d))*
- *Workers Compensation Act 1987 (s87I(3))*
- *Motor Accident Injuries Act 2017 (s10.1(1)(b-c)) and (s2.23(2))*
- *State Insurance and Care Governance Act 2015 (s20(3)).*

After this annual report is tabled in Parliament, it will be made available for public access on the SIRA website.

Sincerely,

**Mandy Young**  
Chief Executive  
State Insurance Regulatory Authority

**Nicholas Whitlam**  
Chair  
State Insurance Regulatory Authority

# Message from the Chair

On behalf of the SIRA Board, I am pleased to introduce the SIRA Annual Report for 2024-25.

Together with my Board colleagues, I have been impressed by the work SIRA does to ensure that NSW insurance schemes protect and support the people who need them, now and in the future.

During 2024-25, the Board played an active role in the development of SIRA's new strategy, SIRA2028. It reinforces our commitment to being a customer-centred, intelligence-led, risk-based regulator. The Board will observe and supervise the implementation of these strategic initiatives over the next 3 years.

Affordability of the schemes we supervise remained a key objective throughout the reporting period. Equally, the viability of the Workers Compensation Scheme continues to be a concern.

In December 2024, SIRA announced that the Compulsory Third Party (CTP) Transitional Excess Profits and Losses (TEPL) assessment had clawed back a further \$90.5 million in excess insurer profit from the 2018 and 2019 accident years. This is the fourth time the TEPL mechanism has been activated, with SIRA now having reclaimed a total of \$542.9 million in excess profit from CTP insurers since this groundbreaking "world's first" mechanism was activated.

The Board underwent several membership changes in 2024-25. I extend my gratitude to former Deputy Board Chair, Nancy Milne OAM and Dr Abby Bloom who retired during the year having served on the Board since 2015, as well as Dr Graeme Innes AM who served since 2016. During their long and distinguished tenures, the departing members also made significant contributions to the Audit & Risk Committee while Ms Milne additionally led the important CTP Premium Committee.

I extend a warm welcome to Lynelle Briggs AO and the Hon. John Della Bosca AM as new members of the Board since June 2025. They bring to the Board deep and wide expertise in relevant SIRA responsibilities. I also congratulate Helen Rowell on her appointment as Deputy Chair.

Finally, let me express my sincere thanks to my fellow Board members, the Executive Leadership Team, and the wider SIRA staff. Your support has made the first year of my tenure both rewarding and enjoyable. Together we can help to achieve improved outcomes for the people of New South Wales.



**Nicholas Whitlam**  
Chair



# Message from the Chief Executive

This year marks my first full year as Chief Executive of SIRA, a year defined by strategic progress, operational impact, and a steadfast commitment to protecting the people of New South Wales.

We successfully concluded our SIRA2025 Strategy, delivering on its goals and laying the foundation for our next chapter. With the launch of our new 3-year strategy and the commencement of a comprehensive review of SIRA, we are ensuring the organisation is well positioned to meet its legislative obligations and deliver on the objectives of our new strategy.

Our regulatory actions continue to play a vital role in safeguarding more than 10 million people across New South Wales by ensuring fair, transparent, and compliant insurance and compensation systems. Through targeted activity, we secured an additional \$9.19 million in workers compensation premiums, extending coverage to 11,887 previously uninsured workers and ensuring they are protected in the event of a workplace injury.

SIRA has continued its oversight of the Home Building Scheme to protect homeowners from the risks of uninsured building work. The team have audited 100 building businesses working on Class 1 homes, such as houses, duplexes and granny flats and found that more than half failed to meet their insurance obligations.

A standout achievement this year was the redevelopment of the SIRA website, now serving over 1 million annual visitors. This enhanced digital platform offers a significantly improved user experience, with a strong focus on accessibility and usability, empowering individuals to better understand their rights and responsibilities under SIRA regulated schemes. This work successfully met our strategic goals of enhancing digital capability and placing customers at the centre of everything we do.

I'm also proud of the work SIRA has done in finalising the Scheme Awareness, Access and Navigation project which aimed to improve understanding and support for people injured in motor vehicle crashes. Key initiatives included the creation and distribution of resources through the NSW public hospital network and the Road Trauma Support Group Rural Outreach Program to improve awareness of, and access to, the CTP Scheme. Increased resources on accessing the scheme have also been made available to assist families who have lost a loved one. This includes expansion of the dedicated support function established in June 2023 to assist families with the claim lodgement process and early referral counselling via SIRA's Trauma Support Service.

As we look ahead, SIRA remains committed to continuous improvement and delivering better outcomes for the people of NSW through the schemes we regulate.



**Mandy Young**  
Chief Executive





# Overview

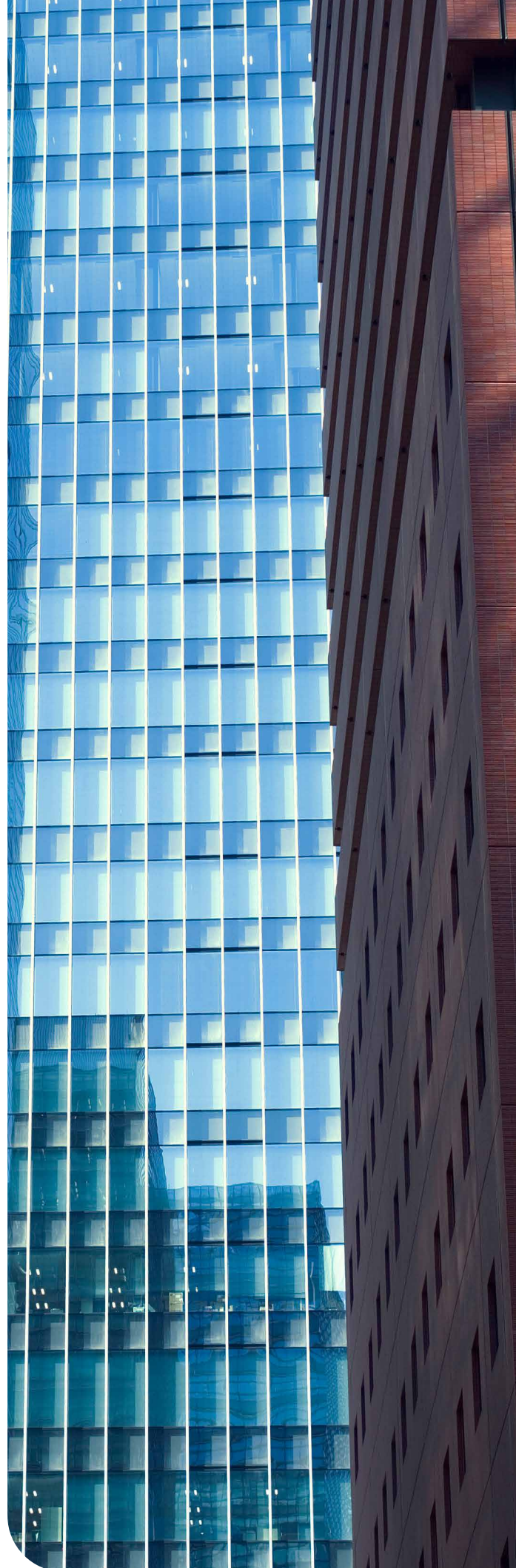


# 1. Who we are

The State Insurance Regulatory Authority (SIRA) was established under the [State Insurance and Care Governance Act 2015](#) (SICG Act) as the independent regulator of NSW's Workers Compensation, Compulsory Third Party (CTP), and Home Building Compensation insurance schemes, as well as supporting the delivery of the Dust Diseases and Lifetime Care and Support schemes.

In establishing SIRA, the Government's intention was to 'create a consistent and robust framework to monitor and enforce insurance and compensation legislation in NSW, and to ensure that public outcomes are achieved in relation to injured people, policy affordability and scheme sustainability' (from the second reading speech of the SICG Act).

At any one time, more than 10 million people are protected through a SIRA-regulated scheme. These schemes are funded by more than 6.4 million vehicle owners, employers and builders, who together pay more than \$7 billion in premiums each year. SIRA's focus is to make sure the insurance schemes in NSW protect and support the people who need them, now and in the future.





## 1.1. Statutory objectives and functions

SIRA's primary purpose is to regulate and improve the performance of insurance and care schemes in New South Wales.

Under the [State Insurance and Care Governance Act 2015](#), SIRA's statutory objectives include:

- Promoting the efficiency, sustainability and viability of insurance and compensation schemes established under the workers compensation, motor accidents and [Home Building Act 1989](#).
- Minimising the costs and risks to people injured at work or on the road.
- Ensuring people injured have access to appropriate treatment and recovery services.
- Improving scheme performance through effective claims handling, insurer supervision and regulatory oversight.
- Supporting better health, return to work outcomes and long-term scheme sustainability.

## 1.2. Our regulatory approach

To achieve these objectives, SIRA engages with insurers, employers, health providers and the community to monitor outcomes and drive improvements. It uses its statutory powers to enforce compliance where required.

SIRA's operational responsibilities include:



**Monitoring scheme outcomes** using data and insights to guide improvements that **promote efficiency, fairness and long-term scheme sustainability**.



**Supporting people with an injury** to access timely and appropriate treatment and return to work or daily activities.



**Working closely with healthcare providers, employers and insurers** to improve injury management, promote evidence-based care and strengthen return to work outcomes.



**Educating the public on their rights and entitlements** under the schemes and investigating complaints and misconduct.



**Promoting injury prevention, scheme affordability and public trust** by promoting continuous improvement and ensuring schemes deliver value for the people of NSW.



**Promoting compliance, fairness, accountability and transparency** across all schemes.



**Setting and enforcing standards** for insurer conduct by licensing.



**Monitoring compliance**, overseeing claims handling and dispute resolution, and taking action where necessary.

SIRA's regulatory approach is aligned with the broader priorities of the Department of Customer Service, including a strong focus on accountability, customer outcomes, and effective public service delivery.

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## 1.3. Parliamentary oversight of SIRA

SIRA is subject to parliamentary oversight by the NSW Parliament's Standing Committee on Law and Justice, under section 27 of the SICG Act. This oversight ensures transparency and accountability in how SIRA delivers its regulatory functions and manages statutory insurance and care schemes in New South Wales.

In 2024-25, SIRA provided evidence to 2 inquiries conducted by the Standing Committee on Law and Justice, the Inquiry into proposed changes to liability and entitlements for psychological injury in New South Wales and the 2024 Review of the Dust Diseases Scheme.

SIRA also appeared at Budget Estimates in 2024-2025 and the Public Accountability and Works Committee's Inquiry into the Workers Compensation Legislation Amendment Bill 2025.

## 1.4. SIRA's management structure

SIRA's organisational structure supports the agency's delivery of its statutory functions and responsibilities. It is aligned with SIRA's regulatory objectives and operational priorities.

### 1.4.1. SIRA's Principal Officer

#### Mandy Young

Chief Executive, State Insurance Regulatory Authority

- Bachelor of Social Work, University of New South Wales

### 1.4.2. The SIRA Board

The SIRA Board is comprised of up to 7 members, including SIRA's Chief Executive and the Secretary of the Department of Customer Service (DCS), and up to 5 independent members, appointed by the Minister, who have skills and experience relevant to the schemes SIRA regulates. The Chair and Deputy Chair positions are selected by the Minister from the appointed members.

**Under section 18(5) of the SICG Act, the SIRA Board:**

- Determines the general policies and strategic direction of SIRA.
- Oversees the performance of SIRA.
- Gives the Minister any information relating to the activities of SIRA that the Minister requests.
- Keeps the Minister informed of the general conduct of SIRA's activities and any significant development in activities.

### Board meetings in 2024-25

In accordance with Treasury Policy and Guidelines Paper TPG25-10a, the dates of the SIRA Board meetings held during 2024-25 were:

- 21 August 2024
- 18 October 2024
- 13 December 2024
- 21 February 2025
- 4 April 2025
- 20 June 2025



### 1.4.3. SIRA Board member appointments

**Table 1: The members of the SIRA Board and their appointment details for 2024-2025**

Board member	Role	Appointment dates
Nicholas Whitlam	Chair	Appointed from 24 July 2024 until 30 June 2027
Helen Rowell	Deputy Chair	Appointed from 24 July 2024 until 15 June 2025 as a Board Member, and from 16 June 2025 until 30 June 2027 as Deputy Chair
The Hon Greg Keating	Board Member	Reappointed from 16 November 2024 until 15 November 2025
Lynelle Briggs AO	Board Member	Appointed from 16 June 2025 until 15 June 2028
The Hon Dr John Della Bosca AM	Board Member	Appointed from 16 June 2025 until 15 June 2028
Mandy Young	Chief Executive	Ex officio
Graeme Head AO	Secretary, DCS	Ex officio
Nancy Milne OAM	Former Deputy Chair	Retired 15 May 2025
Dr Graeme Innes AM	Former Board Member	Retired 31 August 2024
Dr Abby Bloom	Former Board Member	Retired 18 February 2025

### 1.4.4. Committees

#### CTP Premium Committee

The SIRA Board established the [CTP Premium Committee](#) under section 10.3 of the *Motor Accident Injuries Act 2017* and section 22 of the SICG Act. The role of the CTP Premium Committee is to provide expert advice to the Board concerning matters pertaining to CTP insurance premiums. More information about the CTP Premium Committee can be found on SIRA's [website](#).

#### The Audit and Risk Committee

SIRA has an Audit and Risk Committee (ARC) in compliance with the obligations set out in the NSW Treasury Policy Paper [TPP20-08 Internal Audit and Risk Management Policy for the General Government Sector](#). The role of the ARC is to provide independent advice and guidance to the Chief Executive by monitoring, reviewing and advising on SIRA's governance processes, risk management and control frameworks, and its external accountability obligations.

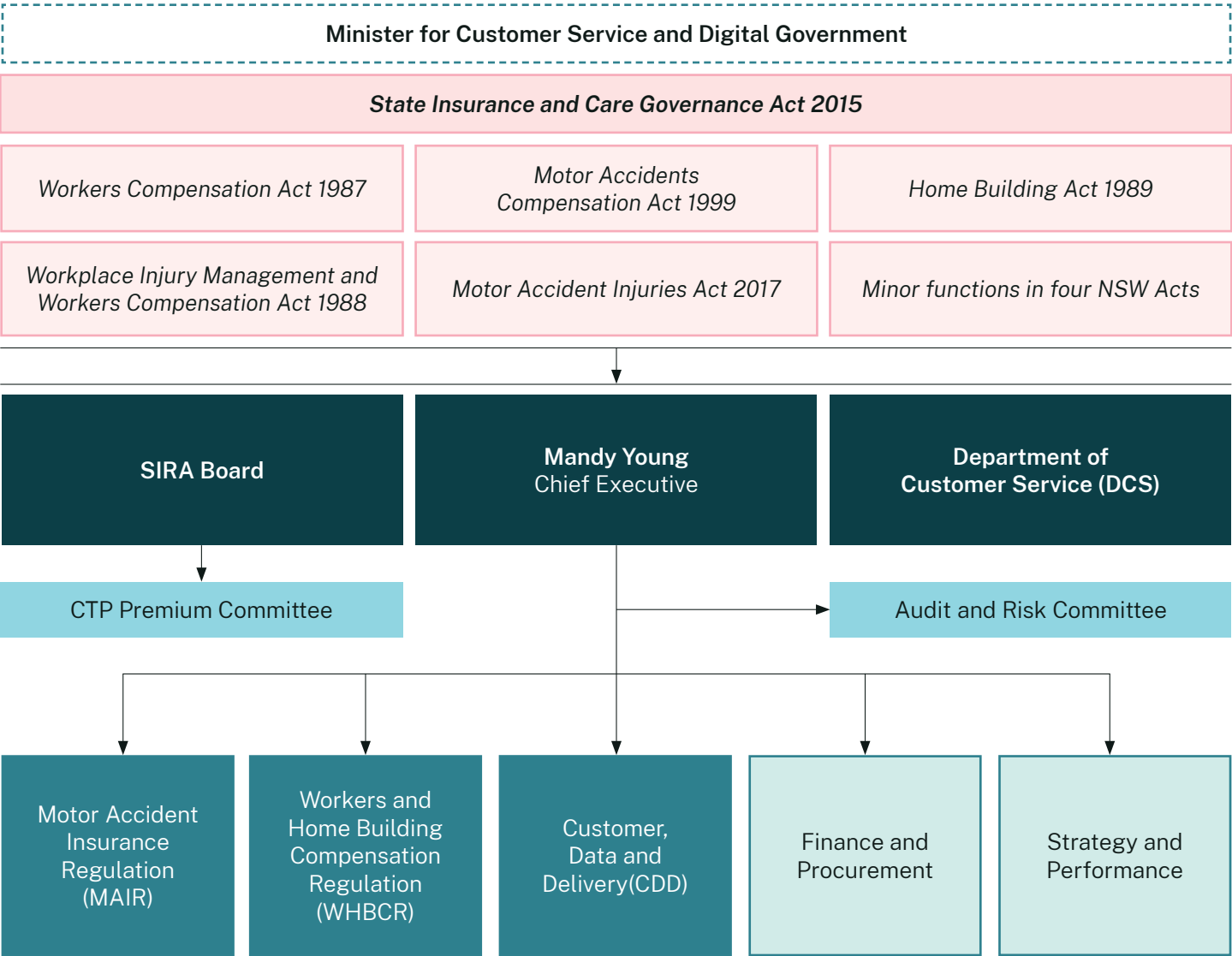
### 1.4.5. The SIRA Executive Leadership Team

SIRA's Executive Leadership Team is responsible for overseeing the day-to-day operations of SIRA and ensuring that its strategic objectives are met. The team brings together expertise across regulation, policy, analytics, customer service, and corporate governance.

Together, the leadership team drives performance across SIRA's 3 core schemes, workers compensation, motor accidents (CTP), and home building compensation, and leads major programs of reform and innovation. The team also supports the Chief Executive in delivering SIRA's regulatory priorities and ensuring the organisation remains responsive, transparent, and outcome focused.

### 1.4.6. SIRA organisation chart

Figure 1: SIRA organisation structure



This chart reflects SIRA's organisational structure as at 30 June 2025. A Functional Review commenced in January 2025 and as at 30 June 2025 was ongoing. The review aims to set up an operating model and organisational structure that is fit for purpose to deliver on its legislative responsibilities, SIRA's strategy, and regulatory framework.



# Key facts

## People



Over

10 million

individuals

covered by SIRA-regulated schemes



## Customer



Over

15,000

customer interactions

across SIRA Assist, CTP Assist, Workers Compensation Assist and Trauma Support Service



## Regulatory Actions



Over

728 actions

across schemes, including penalties, remediation plans, and enforcement notices

## Funding



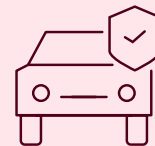
More than

\$7 billion

in premiums

paid by vehicle owners, employers, and homeowners

## Compulsory Third Party Scheme



**14,789**

new claims lodged

**\$90.5M**

of Transitional Excess Profits  
clawed back from insurers

## Workers Compensation Scheme



More than

**102,000** people

supported for workplace injuries

**\$18.7M**

in additional premiums collected

**10,429**

additional employees covered



## Home Building Compensation Scheme



**1,797** building projects

reviewed for compliance



# Strategy










## 2. SIRA 2028 Strategy

In February 2025, SIRA launched a new strategy, SIRA 2028, setting a clear direction for the next 3 years. SIRA 2028 reflects SIRA's ambition to be a customer-centred, intelligence-led and risk-based regulator, and positions SIRA to respond to the changing needs of our schemes, stakeholders and the broader community. Each of these goals supports SIRA's purpose to ensure NSW insurance schemes protect and support the people who need them, now and in the future.

SIRA delivered against the strategic goals of SIRA 2028 through initiatives including regulatory uplift, digital platforms, workforce development, and targeted performance monitoring.

Our goals	Key objectives	
	<b>Putting customers at the centre</b>	<ul style="list-style-type: none"><li>• Listen to our customers<sup>^</sup> and make decisions that will lead to the best outcomes for them.</li><li>• Make it simple and easy for customers to access the system, information and support when they need it.</li></ul>
	<b>High performing people and operations</b>	<ul style="list-style-type: none"><li>• Build a positive work culture that supports diversity and empowers our people to learn, grow and work at their best.</li><li>• Enhance our people's capability to deliver strong governance and operational excellence.</li></ul>
	<b>Holding regulated entities to account</b>	<ul style="list-style-type: none"><li>• Take strong, intelligence-led, risk-based regulatory action.</li><li>• Continue to build on our regulatory approach for supervision and enforcement.</li></ul>
	<b>Strengthening the regulatory environment</b>	<ul style="list-style-type: none"><li>• Engage with stakeholders to improve scheme design, policy and performance.</li><li>• Lead strategic level collaboration to improve scheme outcomes.</li></ul>
	<b>Enhancing data and digital capability</b>	<ul style="list-style-type: none"><li>• Strengthen our data governance capability.</li><li>• Ensure our operations are underpinned by secure and effective systems.</li></ul>

<sup>^</sup> Specifically, people with an injury or claim (and their families/carers) and policy holders. They are at the centre of everything we do.

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## 2.1. SIRA2025 Foundations and achievements

In 2025 the agency also brought its previous strategy, SIRA2025, to a close. SIRA2025 provided a strategic foundation that focused on regulatory maturity, customer-centric service, and strengthening scheme outcomes. Over 3 years, it helped SIRA build capability across digital, customer, regulatory, and workforce priorities.

In late 2024, a formal SIRA2025 Review assessed progress and confirmed delivery of key achievements:

- Greater focus on customer experience and transparency.
- Digital service transformation and regulatory data systems.
- Strengthened regulatory governance and supervision.
- Inter-agency collaboration to deliver reforms across schemes.

### **SIRA strengthened its customer experience capability**

SIRA's commitment to enhancing customer experience was solidified through the Customer Experience (CX) Framework.

The launch of SIRA's Language Guide in July 2024 provides staff with clear guidelines on applying CX principles for communication, emphasising accessibility, empathy and using recovery orientated language.

SIRA implemented its customer experience research program, which is the only independent and system-wide program tracking the self-reported experiences and outcomes of people with a claim across both the CTP and workers compensation schemes. Each month, SIRA invites everyone who has just either passed 3 months in their open claim or exited the scheme to participate in a survey.

SIRA utilises the insights from the program as a key input to inform insurer supervision and scheme design, taking a risk-based approach to how SIRA regulates.

SIRA established its Workers Compensation Assist service, following a successful pilot, the service was independently evaluated and permanently established in 2024. The service provides information and advice to people who have been injured in the workplace. This includes explaining rights, entitlements and what to expect during the claims journey. The support service has been set up in line with 16 personal domain factors, such as trust in the scheme, which are known to positively influence people's outcomes.

### **Strengthened regulatory governance and supervision**

Under SIRA2025, SIRA delivered the Supervision Assurance Program through rigorous audits and the production of detailed reports for each insurer. It strengthened SIRA's regulatory posture and ensures that licensed insurers meet their obligations.

The Health Provider Conduct Assurance Program improved compliance in payments related to travel, time, and consultation indicators. SIRA reviewed accredited exercise physiologists, physiotherapists, psychologists and responded to anomalous billing practices.

SIRA strengthened collaboration with insurers to improve fraud referrals and respond through prosecutions.

### **Inter-agency collaboration to deliver reforms across schemes**

SIRA has adopted a structured, collaborative approach with stakeholders to enhance scheme outcomes, particularly through engagement with icare. SIRA continues to conduct regular audits of the Nominal Insurer, with 6 audit results completed and published on the SIRA [website](#).

SIRA has developed an intensive engagement program with workers compensation insurers which is aimed at early intervention practices and outcomes. Evidence shows that outcomes at weeks 4 and 13 of a claim are highly predictive of the overall outcomes for the worker.

SIRA worked with large employers at risk of poor return to work outcomes to improve awareness and compliance with workers compensation requirements.



In April 2024, SIRA refreshed its 5 support plans that outline the strategic initiatives that will assist implementation of SIRA2025. The support plans include:



### People, Culture and Governance Plan

SIRA2025 goals:

- ✔ **Setting the benchmark for governance, culture and accountability.**
- ✔ **Building and supporting our talent.**

Initiatives are grouped under 3 workstreams: investing in our people, employee engagement and values in action.



### Supervision and Enforcement Plan

SIRA2025 goals:

- ✔ **Strengthening our regulatory capability.**
- ✔ **Setting the benchmark for governance, culture and accountability.**
- ✔ **Enhancing our capability through digital.**
- ✔ **Holding regulated entities to account for outcomes.**

Initiatives are grouped under 3 work streams: contemporary regulator, proactive supervision and targeted enforcement, and prioritising risk through intelligence.




### Scheme Design and Performance Plan

SIRA2025 goals:

- ✔ **Maintaining a contemporary regulatory environment.**
- ✔ **Setting the benchmark for governance, culture and accountability.**

Initiatives are grouped under 3 work streams: trusted advisor, world leading scheme design and scheme performance for outcomes.



### Data and Digital Plan

SIRA2025 goal:

- ✔ **Enhancing our capability through digital.**

Initiatives are grouped under 3 areas: data platforms, regulatory platforms and digital products.



### Customer Plan

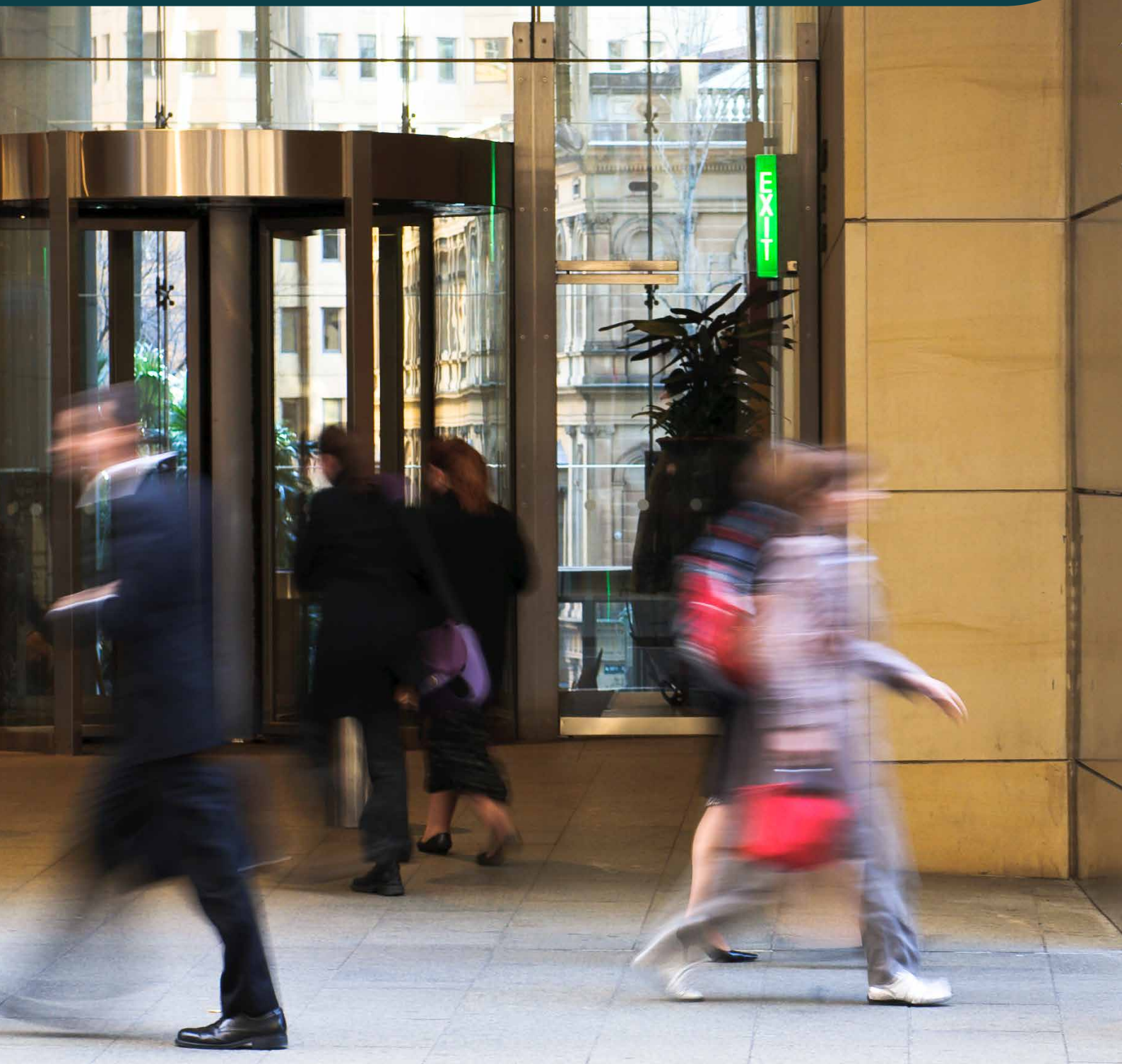
SIRA2025 goal:

- ✔ **Putting customers at the centre.**

The plan is designed to achieve customer impacts internally, sector-wide and particularly with our customers and people using our schemes.

Initiatives are grouped under 3 workstreams: insights that matter, customer experience capability and customer experience delivery.

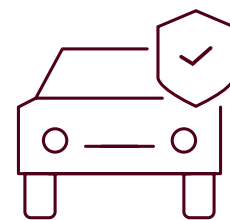
# Operations and performance







## 3. NSW Compulsory Third Party Scheme



The NSW Compulsory Third Party (CTP) Scheme protects vehicle owners in NSW from liability if their vehicle causes injury or death to others. SIRA regulates the CTP Scheme to keep premiums affordable and ensure claimants get the support they need for recovery.

The CTP Scheme was reformed in December 2017 to make it fairer and to make premiums more affordable. These changes lowered CTP premium costs, whilst also increasing the available entitlements and made compensation available earlier to people with an injury.

The *Motor Accident Injuries Act 2017* (the MAI Act) applies to CTP policies for motor vehicle crashes<sup>1</sup> which occurred on or after 1 December 2017. Motor vehicle crashes before this date are covered by the *Motor Accidents Compensation Act 1999* (the MAC Act).

### 3.1. CTP insurers

SIRA licenses and regulates 6 private insurers that underwrite the current CTP Scheme, including:

- AAI Limited (trading as AAMI)
- AAI Limited (trading as GIO)
- Allianz Australia Insurance Limited (trading as Allianz)
- Insurance Australia Limited (trading as NRMA Insurance)
- QBE Insurance (Australia) Limited (trading as QBE)
- Youi Pty Ltd (trading as Youi).

People injured on or after 1 December 2017 who have treatment and care needs more than 5 years after the motor vehicle accident will transfer to CTP Care which is administered by the Lifetime Care and Support Authority (LCSA) as the relevant insurer.

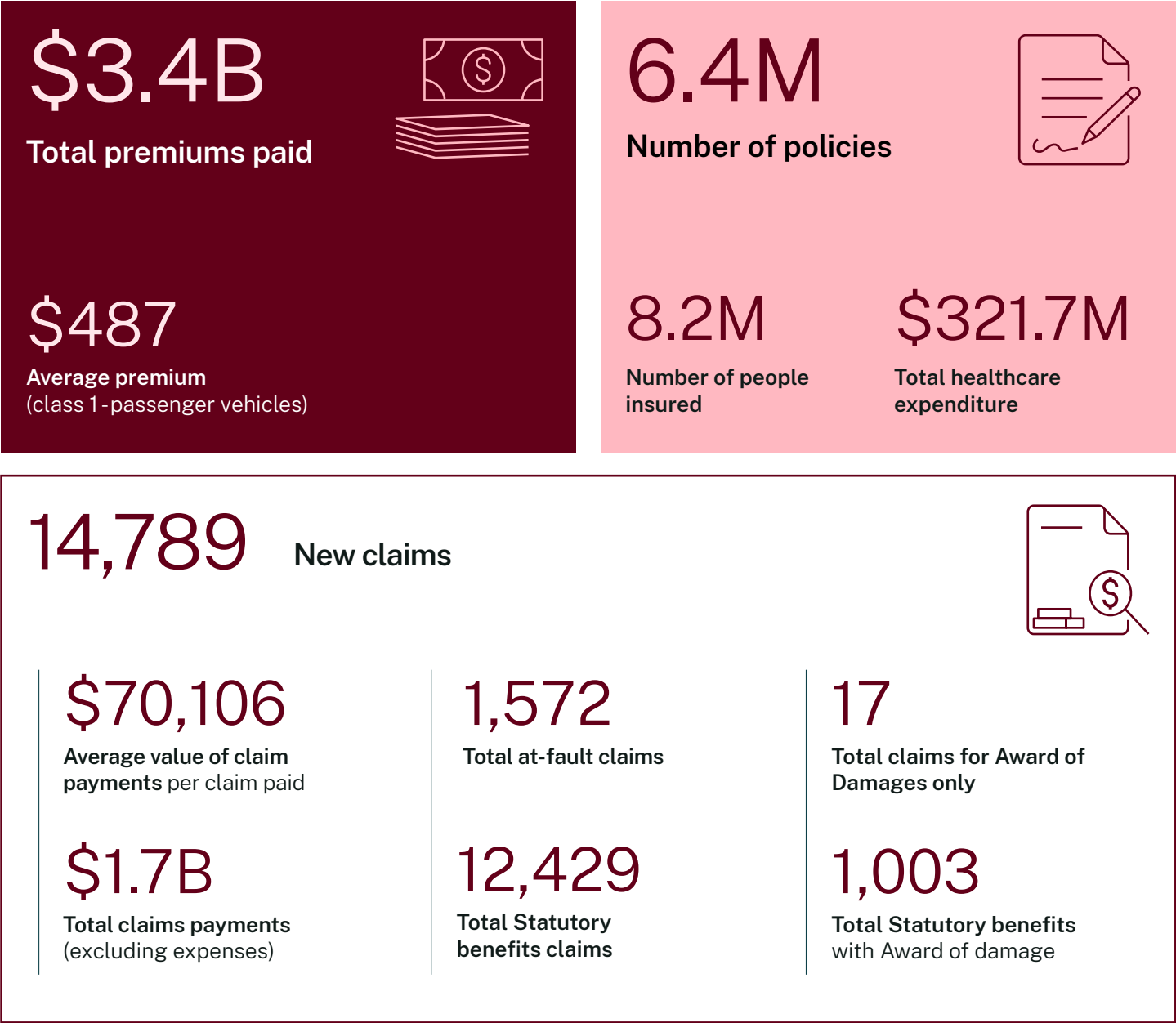
<sup>1</sup> SIRA has received feedback from some stakeholders who have lost a loved one that they strongly prefer the term 'crash' to be used instead of 'accident'. For these stakeholders, the term 'accident' may be perceived as downplaying the seriousness of the incident or creating the impression that an incident was due to unavoidable circumstances rather than potentially dangerous or negligent driving. In responding to this feedback, SIRA uses the term 'motor vehicle crash' for references outside of the legislative framework, including across its website, wherever possible.



### 3.2. CTP Scheme summary

The NSW CTP Scheme continues to deliver support for people injured in motor vehicle crashes.

The figures below reflect activity and outcomes during the 2024-25 financial year, including claims trends, scheme participations, and health related spend.



### 3.3. Scheme performance

SIRA monitors the performance of the NSW Compulsory Third Party (CTP) Scheme to ensure it delivers sustainable and efficient outcomes for people injured on NSW roads, while maintaining affordability for motorists and viability for insurers. The scheme's performance is assessed across key dimensions, including effectiveness, efficiency, affordability, viability, customer experience, and equity.

**Table 2: CTP Scheme performance**

Focus area	CTP Scheme performance	2024-25	2023-24
<b>Effectiveness</b> The scheme supports people with a claim to attain the best possible outcomes.	Percentage of statutory benefits claims accepted.	97%	97%
	Percentage of statutory benefits claims receiving payment for treatment and care within 4 weeks of lodging their claim.	94.3%	95.5%
	Percentage of statutory benefits claims receiving income support benefits within 4 weeks of lodging their claim.	61.0%	61.8%
	<b>Recovery through work at 26 weeks:</b> <ul style="list-style-type: none"> <li>percentage of people who return to work</li> </ul>	64.1%	65.2%
	<ul style="list-style-type: none"> <li>percentage of people who stayed at work</li> </ul>	21.3%	21.7%
	<ul style="list-style-type: none"> <li>working rate.</li> </ul>	70.5%	71.2%
<b>Efficiency</b> The scheme is efficiently delivered in terms of costs and timeliness.	Premium returned as claim benefit.	63%	61%
	Statutory benefit durations for threshold claims (average weeks from lodgement to last claim payment).	43.8 weeks	42.1 weeks
	Resolution timeframe for all award of damages claims (months from claim lodgement to settlement payment).	35.3 months	37.5 months
	Insurer internal review determined within 28 days.	97.4%	97.1%
<b>Affordability, Viability and Equity</b> Premiums adequately cover costs without being excessive.  The scheme is sustainable for future generations and is fair and equitable in providing benefits.	Estimated average passenger vehicle premium as a percentage of average weekly earnings (incl levies/ excl GST).	22.9%	21.9%
	Estimated average insurer profit as a percentage relative to premium.	7%	7%
	Market average premium as a percentage of SIRA costing assumptions (incl levies & GST).	97.1%	97.4%
	Percentage of total claim benefits paid to non-threshold claims.	81%	83.6%
<b>Customer experience</b> Whether purchasing a policy or claiming benefits, customers receive a positive experience.	Overall claims experience – CTP closed claims.	6.0/10	5.8/10
	Number of Independent Review Office (IRO) complaints requiring insurer action.	483	590
	Complaints requiring insurer action per 100 open claims.	2.1	2.7

## 3.4. Statutory reviews and inquiries

SIRA published a status update on progress made in response to the recommendations and suggestions from the 2021 Statutory Review of the MAI Act.

Of the 49 Recommendations made by Clayton Utz, a total of 30 have been actioned either through legislative amendments, guidelines or other administration action with a further 3 recommendations in progress. The remaining 16 recommendations which require amendment to the legislation and or regulation were considered, however will not be progressed at this time. These may be further considered as part of the second statutory review of the MAI Act which will commence from December 2025.

Of the 44 recommendations and suggestions made by Deloitte, a total of 41 have been completed.

SIRA finalised the review of jurisdictional issues relating to interstate accidents and CTP claims in response to recommendation 3 from the Standing Committee on Law and Justice 2022 Review of the CTP Scheme. In response to the review, SIRA made updates to its website to improve customer understanding of accessing interstate entitlements.

SIRA also finalised its review in response to recommendation 2 from the 2020 Personal Injury Commission Statutory Review and provided that review to Government. SIRA continued to monitor issues of delay of medical assessment matters in the Motor Accidents Division of the Personal Injury Commission and conducted a review of dispute resolution in the CTP scheme to examine key drivers of delay and identify options to improve the efficiency and effectiveness of dispute resolution.

## 3.5. Scheme awareness

SIRA finalised the Scheme Awareness, Access and Navigation project. This project's objective was to improve understanding of people injured in motor vehicle crashes, identify key challenges in accessing and navigating the scheme, and deliver initiatives to address those challenges. Key initiatives included the creation and distribution of resources through the NSW public hospital network and the Road Trauma Support Group Rural Outreach Program to improve awareness of, and access to, the CTP Scheme. Increased resources on accessing the scheme have also been made available to assist families who have lost a loved one. This includes expansion of the dedicated support function established in June 2023 to assist families with the claim lodgement process and early referral counselling via SIRA's Trauma Support Service.

## 3.6. Motor Accidents Guidelines

Version 9.3 of the Motor Accident Guidelines commenced on 6 December 2024. It updated Part 1 of the Motor Accident Guidelines, helping insurers to calculate the cost of premiums for CTP insurance policies issued on or after 15 January 2025. SIRA also commenced a comprehensive review of the Motor Accident Guidelines, undertaking targeted consultation with key stakeholders to inform development of version 10.

## 3.7. E-micromobility

On 13 May 2025 the Government announced details to legalise e-scooters, e-bikes and related mobility options in NSW and tabled its response to the Parliamentary Inquiry. In its response, the Government committed to exploring options for e-micromobility insurance. This includes potential settings, considering the need for people injured by devices to be effectively supported, affordability, existing insurance settings and the viability of any arrangements. SIRA continues to work with Transport for NSW and Treasury to support the legal use of e-micromobility devices while mitigating risk and premium impact to the CTP Scheme arising from their increased use.

## 3.8. SIRA assessment of insurers profit margin

Under the transitional excess profits and excess losses (TEPL) mechanism, SIRA has the regulatory power to retrospectively recoup excess industry insurer profits (greater than 10%) or manage excess losses (below 3%). In November 2024, SIRA announced that the assessment identified \$90.5 million in excess insurer profit from the 2018 and 2019 accident years. To respond to rising cost pressures, the excess profit has been used to maintain the affordability of CTP insurance from 15 January 2025. This is the fourth time SIRA has activated the mechanism with total TEPL recoveries now totalling \$543 million.

## 3.9. SIRA assessment of insurers profit margin

SIRA, with the advice of the scheme actuary, assessed the filed profit margin and the actuarial basis for its calculation submitted by all licensed insurers in the 2024-25 financial year. All insurers filed profit margin was within the range of profit margin deemed acceptable by SIRA as established in the Motor Accident Guidelines. SIRA also found that the actuarial analysis on which that profit margin was based was within the appropriate bounds of the actuarial guidance provided to the insurer by SIRA under Schedule 1(e) of the Motor Accident Guidelines.



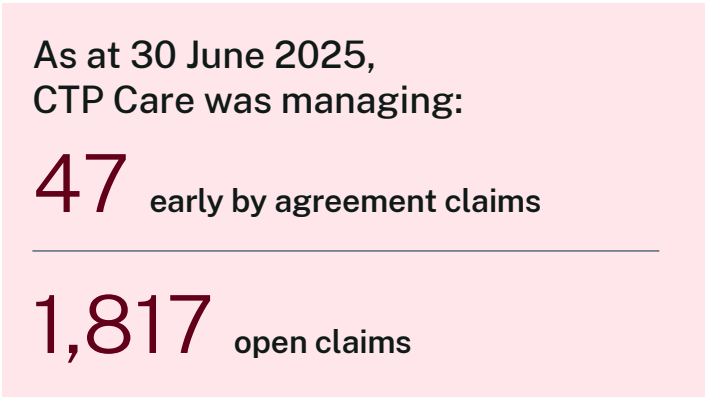
### 3.10. Innovation

SIRA has continued to assess insurer applications for innovation support made under the Motor Accident Guidelines – transitional excess profits and transitional excess losses (TEPL Guidelines). Approved innovations align to the MAI Act objectives. As of 30 June 2025, 35 applications for innovation support have been received. Of these:

- 16 applications were granted preliminary and/or final approval, with a further application under assessment and pending preliminary approval
- 2 applications were under review following insurer request for reconsideration of previous decisions
- 5 applications were withdrawn or not progressed by the insurer
- 11 applications were not subject to preliminary approval following assessment under the TEPL Guidelines.

### 3.11. CTP Care

The Lifetime Care and Support Authority (LCSA) which administers CTP Care, provides treatment and care statutory benefits for people injured in a motor crash in NSW on or after 1 December 2017 who have treatment and care needs that extend beyond 5 years.



### 3.12. Insurer Regulation

SIRA monitors and regulates licensed insurers to ensure compliance with the *Motor Accident Injuries Act 2017* in line with its Regulatory Framework. This includes supervision programs, enforcement actions, and support to improve insurer performance and scheme outcomes.

### 3.13. Insurer Supervision Assurance Program

The Insurer Supervision Assurance Program (SAP) enables SIRA to monitor insurer compliance and performance within the CTP Scheme. The SAP reviews existing and emerging risks and issues and complements core supervision and insurer remediation activities. SAP activities for the 2024-25 included:

Table 3: SAP within the CTP Scheme

Audit/Review subject	Date of audit	Report published on SIRA website
Claims involving a death (re-audit)	August 2024	Claims Involving a Death Reaudit Scheme Report
Annual self-assessment	September 2024	Not published

#### 3.13.1. Insurer regulatory action

SIRA issued one civil penalty to a licensed insurer under the CTP Scheme. This related to the incorrect application of demerit point loading on CTP renewal policies.

Further details on SIRA's regulatory action, including its response to the performance identified in the above SAPs is published on its website quarterly.

### 3.14. Fraud in the CTP Scheme

SIRA aligns its Fraud Framework with its broader Regulatory Framework which provides structured guidance for identifying, investigating, and responding to fraudulent behaviour. The Regulatory Framework outlines SIRA's principles, governance, and decision-making processes, ensuring responses are proportionate. SIRA conducts investigations and Compulsory Third Party (CTP) prosecutions under the *Motor Accident Injuries Act 2017* (NSW), *Motor Accidents Compensation Act 1999* (NSW), and the *Crimes Act 1900* (NSW). These powers enable SIRA to address fraudulent conduct, serious breaches of statutory obligations, and criminal offences related to insurance schemes.

### 3.15. Fraud prosecution

In October 2024, SIRA successfully prosecuted a person for fraud under the CTP Scheme, following breaches of the *Motor Accident Injuries Act 2017*. The court sentenced the claimant to 12 months' imprisonment under an Intensive Correction Order. In addition to a \$1,100 fine, the claimant was ordered to pay \$6,203.03 in prosecution costs.

In May 2025, SIRA successfully prosecuted a person for defrauding the CTP Scheme of over \$135,000. The offender pleaded guilty to dishonestly obtaining payments by deception under Section 192E of the *Crimes Act 1900*. The court determined that a custodial sentence was warranted, sentencing the offender to 12 months' imprisonment to be served in the community under an Intensive Correction Order. Additionally, the claimant was ordered to pay prosecution costs of \$12,620.49.

### 3.16. Health Service Provider Regulation

#### 3.16.1. Supervision Assurance Program

SIRA's Health Provider Supervision Assurance Program monitors healthcare trends, performance, compliance, and outcomes.

During the 2024-25 financial year, SIRA conducted supervision activities to review and proactively identify providers at risk of non-compliance across 8 disciplines:

- psychologists
- physiotherapists
- counsellors
- chiropractors
- osteopaths
- general practitioners
- surgeons
- workplace rehabilitation providers.

### 3.16.2. Regulatory action

Regulatory action to issue, revoke or withdraw approval of healthcare providers across CTP and workers compensation schemes is outlined below:

**Table 4: Approval of healthcare providers across schemes**

New approvals	2033
Issue (renewals/extensions of approval)	6496
Revoke	160
Withdraw	65

### 3.16.3. Embedding best practice in the management of low back pain

SIRA has delivered training on its model of care for the management of low back pain – Summary (the Summary Model) to over 1,000 health practitioners and insurers, helping them to understand an evidence-based approach to achieving better outcomes for people with low back pain.

SIRA engaged the Royal Australian College of General Practitioners to deliver 2 webinars designed to help General Practitioners (GPs) understand the Summary Model and SIRA’s role as the regulator of the NSW Workers Compensation Scheme and NSW CTP Scheme. A total of 466 health practitioners, mostly GPs, attended both webinars.





## 4. Workers Compensation Scheme



The NSW Workers Compensation Scheme is the largest defined benefit scheme in Australia. It protects over 4.78 million workers and provides income replacement and medical support for more than 102,000 people injured at work each year. Workers compensation insurance is intended to provide affordable and effective cover for employers and people with an injury.

Workers' compensation assists with the costs of weekly payments, medical and hospital expenses, and a range of other supports including domestic assistance, education and training to help people with an injury recover and return to work. Payments are also made in the event of death.

The Workers Compensation Scheme primarily operates under the *Workers Compensation Act 1987* (the WC Act 1987) and the *Workplace Injury Management and Workers Compensation Act 1998* (the WIMWC Act 1998).

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**SIRA is responsible for regulating 4 types of workers compensation insurers in NSW:**

## **The Nominal Insurer (NI)**

Most employers are only able to take out workers compensation insurance through icare (as the NI). The NI is managed by icare and regulated by SIRA.

## **Treasury Managed Fund (TMF)**

The Treasury Managed Fund (TMF) provides coverage to government agencies. It is administered by the Self Insurance Corporation and managed by icare.

## **Self-insurers**

Self-insurers are NSW employers approved by SIRA to manage their own workers compensation claims.

## **Specialised (industry) insurers**

Specialised insurers can underwrite workers compensation liabilities and manage workers compensation claims for employers in a defined industry. Specialised insurers are licensed and regulated by SIRA.

Specialised insurers include:

- Guild Insurance Limited
- Hospitality Industry Insurance Limited
- Racing NSW
- StateCover Mutual Limited
- Trinity Insurance
- Coal Mines Insurance Pty Ltd
- Catholic Church Insurance (ceased offering new or renewal of existing workers compensation insurance policies from 29 June 2023).

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## **4.1. Key activities**

### **4.1.1. Reviewing the NSW Workers Compensation Scheme**

SIRA continues to monitor and progress key reviews of the NSW Workers Compensation Scheme, including the 2021 McDougall Review, the Standing Committee on Law and Justice 2023 Review, and ongoing reviews under the *State Insurance and Care Governance Act 2015*.

### **4.1.2. Early intervention program of work with insurers**

This 2-year program aimed to improve insurer early intervention practices and outcomes. The program will officially conclude in December 2025. The program successfully embedded risk assessment for delayed recovery and return to work as the foundation for claims management for all workers compensation insurers and achieved an estimated 50% increase in quality injury management plans. SIRA is considering in partnership with icare and other insurers opportunities to improve early intervention.

### **4.1.3. Claims Management Review**

In response to Recommendation 18 of the 2023 Law and Justice Review, SIRA undertook a comprehensive review of claims management within the NSW Workers Compensation Scheme.

Using literature, data, audits, and stakeholder insights, the review identifies key opportunities to improve claims management to ensure it can meet the needs of workers, including those with psychological injuries, and the changing nature of work to deliver better outcomes.

The review also considered how to better balance principle-based, prescriptive, and risk-based regulation, and identify opportunities to reduce administrative burden across the system.

## 4.2. Scheme performance

SIRA monitors the performance of the NSW Workers Compensation Scheme to ensure it delivers fair, sustainable, and efficient outcomes for injured workers, employers, and the community. The scheme's performance assesses across key dimensions, including effectiveness, efficiency, affordability, viability, customer experience, and equity.

**Table 5: Workers compensation performance**

Focus area	Workers compensation performance	2024-25	2023-24
<b>Effectiveness</b> The scheme supports people with a claim to attain the best possible outcomes.	Number of people notifying injuries.	193,938	195,642
	Number of people lodging WC claims.	101,659	112,299
	13-week return to work rate.	77.7%	80.5%
	13-week non-participation (i.e. people with capacity but not working).	7,929	7,386
<b>Efficiency</b> The scheme is efficiently delivered in terms of costs and timeliness.	Percent of claim costs provided to people with an injury:		
	• weekly payments	44%	43%
	• lump sum payment (WPI, WID, commutations, death)	20%	22%
	• health payments	22%	22%
	• insurer payments (investigations, legal).	6%	5%
	Timeliness of initial decision (i.e. to commence weekly payments).	4 days	4.3 days
<b>Affordability</b> Premiums cover costs without being excessive.	Average premium as a percentage of wages (NI)	1.84%	1.6%
<b>Viability</b> The scheme is sustainable for future generations.	Financial performance of the NI-Loss ratio.	127%	151%
	Financial performance of NI-Combined operating ratio.	137%	160%
	Financial performance of NI-Insurance ratio.	87%	87%
	Financial performance of TMF-WC funding ratio.	99.3%	102.7%
<b>Customer experience</b> Whether purchasing a policy or claiming benefits, customers receive a positive experience.	% people with injury reporting a positive experience as per SIRA's customer experience closed survey.	53%	52%
	Complaints rate (of new WC claims).	5.1%	7.2%
	Disputation rate (of new WC claims).	3.96%	4.4%
<b>Equity</b> The scheme is fair and equitable in providing benefits.	People with injury reporting trust in the system.	59.5%	63%
	People with injury reporting fairness in the system.	61%	60%



## 4.2.1. SIRA funded vocational programs

SIRA provides several funded vocational programs to support return to and recovery through work for both the Workers Compensation and CTP Schemes. These programs help with the provision of equipment, workplace modifications, training, and financial incentives to a worker or their (post-injury) employer.

In the 2024-25 financial year, SIRA provided \$5.215 million in funding for the following vocational programs:

**Table 6: SIRA funding for vocational programs in 2024-25**

Program	Description	CTP Amount \$'000	WC Amount \$'000
<b>JobCover placement programs</b>	New employer financial incentives of up to \$10,400 for 6 months employment or up to \$27,000 for 12 months employment.	145	2,926
<b>Recover at work assist</b> (for small business)	A pre-injury small business incentive of up to \$400/week for 12 weeks.	40	224
<b>Transition to work</b>	A one-off payment to the injured worker to address barriers to taking on a new job e.g. for clothing, travel, relocation and childcare costs of up to \$5,000.	NA	30
<b>Training</b> (workers compensation only)	Covering course costs, stationery and books, travel and accommodation.	NA	856
<b>Equipment / Modifications</b> (workers compensation only)	Equipment for workers or workplace modifications	NA	118
<b>Work Trial/ Connect2Work</b> (workers compensation only)	Up to 12 weeks work experience with a host employer, (may include financial incentive of up to \$200/week).	4	5
<b>Reimbursements</b> (Section 153)	-	8	858
<b>Total by scheme</b>		<b>198</b>	<b>5,017</b>
<b>Total</b>		<b>5,215</b>	

Note: Compared to the previous year, the increases noted in training program payments (workers compensation) are due to a reallocation of Section 153 reimbursements, now being attributed to this program.

## 4.2.2. Supervision Assurance Program

SIRA's auditing of claims management continues on a quarterly basis, with the reports published on the SIRA website. Each audit is risk-based and assesses insurer compliance with the legislative framework and overall claims and policy management performance.

In the 2024-25 financial year, SIRA completed 4 quarterly audits and reviews.

**Table 7: SIRA audits in 2024-25**

Audit/Review subject	Date of audit	Report published on SIRA website
Nominal Insurer PIAWE indexation audit	July 2024	September 2024
NI management of claims for hearing aids and accessories	August 2024	February 2025
NI Claims Management Audit	November 2024	To be published 2025-26 as part of a system-wide claims management review
TMF Claims Management Audit	February 2025	To be published 2025-26 as part of a system-wide claims management review
Audit of claims service provider QBE	May 2025	To be published in 2025-26

## 4.3. Regulation of the Nominal Insurer and Treasury Managed Fund

SIRA has developed and published the [icare Workers Compensation Supervision Plan 2025](#). This plan includes several initiatives to improve performance and outcomes under 5 key focus areas:

- Policy and underwriting
- Claims management
- Information technology
- Recommendations and Law & Justice commitments
- Legislative reform.

This plan incorporates initiatives for both the Nominal Insurer (NI) and Treasury Managed Fund (TMF).

The performance of the NSW Workers Compensation Scheme is influenced largely by the NI, managed by icare, as it holds the majority of the market share. The NI provides workers compensation insurance policies to approximately 346,999 employers, covering 3.48 million employees, and accounts for around 64.2% of total reported claims in the scheme in the 12 months leading up to June 2025.

SIRA oversees and monitors the performance of the NI through financial and claims performance metrics reporting, ongoing quarterly auditing of performance and regularly engaging directly with icare at Board, Chief Executive, executive and operational levels.

Throughout the 2024-25 financial year, NI return to work rates trended down while the percentage of people with an injury who recovered at work increased. Over the past 12 months, the percentage of people with an injury who are at work (working rate) has continued to decrease.

The TMF provides workers compensation to NSW government agencies, with 200 policies covering more than 382,000 employees.

In early 2025, new contracts were awarded for the provision of workers compensation claims management services to the TMF. icare has also developed a planned realignment of agencies with claims management providers. SIRA is monitoring the transition of agencies to new claims management service providers throughout 2025.

SIRA has commenced quarterly engagement with the larger government agencies, providing further insight into the performance of the claims service providers. SIRA commenced the auditing of TMF claims on a quarterly basis in February 2025, with the results combined with recent NI and Self and Specialised Insurer results to provide insights into the management of claims across the whole workers compensation system.

## 4.4. Regulation of Self and Specialised insurers

In 2024-25 financial year SIRA supervised 78 Self and Specialised insurers (SSIs) which included 35 self-insurers, 36 group insurers and 7 specialised insurers (including Catholic Churches Insurance which is no longer issuing policies). SIRA also maintains supervision of the Insurer Guarantee Fund (IGF).

SIRA continued to strengthen its regulatory position in accordance with its SIRA2025 strategy and associated further development of the Regulatory Framework. SIRA has a customised monitoring framework in place for all insurers and has undertaken supervision and enforcement actions accordingly.

### 4.4.1. Supervision Assurance Program

SIRA completed its intensive audit program in June 2025 with 43 audits undertaken in 2024-25 financial year. The 18-month audit program audited all SSIs using the standard SIRA claims management audit tool. This tool covers end to end case management encompassing compliance, case management and data quality elements. In total 43% of audits resulted in a high-risk rating, 32% in a medium and 25% in a low-risk rating. Remediation plans to ensure improved performance were put in place for insurers with a high or medium risk rating. SIRA has resumed its normal audit program whereby insurers are audited every one, 2 or 3 years depending on their case management risk profile.

## 4.5. Supervision Priorities

SIRA focused on two areas of concern in the 2024-25 financial year, Employer Intervention programs and the Indexation of Personal Injury Commission (PIC) determinations.

SIRA sought clarity on the details of established employer early intervention programs via questionnaire and relevant supporting documentation. SIRA were able to confirm that all insurers' processes regarding the employer early intervention program supported fulfillment of obligations under section 267 of the 1998 Act. General feedback was also provided to all insurers and guidance material provided.

Activity commenced (and is continuing) into the remediation of incorrect indexation and ensuring correct indexation of weekly benefits being paid under a PIC determination.

## 4.6. Licensing Self-Insurers and Specialised insurers

Six applications for new self-insurer licences were received in 2024-25 with 2 applications from 2023-24 carried over. Of those 8 applications one new licence was approved (Dimeo Group Holdings) and commenced in 2024-25. Seven applications were carried over into 2025-26 for decisions.

In August 2024, Trinity Insurance applied to expand its workers compensation specialised-insurer licence. SIRA continued to assess this licence application throughout 2024-25.

## 4.7. Regulation actions

Regulatory actions in 2024-25 included 2 letters of censure, 2 Direction Notices, imposition of special licence conditions on 5 insurers and 38 remediation plans. All regulatory actions have been published on the SIRA [website](#).

## 4.8. Workers Compensation Reform

The NSW Government is proposing reforms to the Workers Compensation Scheme. SIRA is supporting Treasury NSW and the Department of Customer Service as required.

## 4.9. Recovery through work

Improving recovery through work rates has been a significant focus for SIRA, as the core role of the Workers Compensation Scheme is to help people with an injury recover and return to work.

Over the past 4 years, the 13 week recovery through work rates (comprising return to work (RTW), staying at work (SAW) and working rate (WR) have continued to decline. RTW rates have seen the largest decline of up to 4%. Whilst SAW rates have shown improvement, this has not been enough to improve the overall working rate, which has also declined by 2%.

### 4.9.1. Psychological injuries

Over the past 4 years, there has been an increase in both psychological and non-psychological injury claims. Psychological injury claims increased by 87%, from 7,289 in 2021-22 to 13,648 in 2024-25. Meanwhile, non-psychological injury claims increased by 9% from 93,478 in 2021-22 to 101,456 during the same period.

The proportion of new psychological injury claims has also risen. In the 2021-22 financial year, psychological injury claims represented 7.2% of all claims. By 2024-25, this proportion has risen to 11.9%.

Notably, NSW public service workers are disproportionately represented, accounting for 37% of all new psychological injury claims in the NSW Workers Compensation Scheme.

The proportion of psychological injury claims is significantly higher at 22% of all new claims compared to non-government workers at 9.3% of all new claims.

SIRA data shows that people with psychological injuries are less likely to return to work than those with non-psychological injuries. Specifically, by the 13-week mark in June 2025, 84% of people with non-psychological injuries had returned to work, while only 39% of those with psychological injuries had done so.

## 4.10. Regulation of employers

### 4.10.1. SIRA inspectorate

The SIRA inspectorate engages with NSW employers when they receive information about potential legal violations, through targeted programs of work or by using data to identify employers who are at a higher risk of poor return to work outcomes. Inspectors utilise various methods to check and ensure employers' compliance with their workplace injury management obligations. Under the Employer supervision strategy inspectorate activity has been focused on the largest employers in NSW to maximise their reach in terms of the greatest numbers of workers.

### 4.10.2. Employer capability building

SIRA has continued to build employer capability through offering its eLearning modules for RTW coordinators. For 2024-25 financial year an additional 3,628 users accessed the eLearning modules taking this to a total of 22,674 users. These users, and other subscribers, can opt in to receive additional correspondence from SIRA.

A monthly newsletter called the Recovery at Work Insider is sent to more than 16,000 people. Eleven editions were sent during the year covering topics around an employer's role and obligations regarding recovery at work. Each issue outlines why it's important, the evidence base, how an employer can comply and links to useful tools and resources.

In response to the issue of under insurance and employers potentially being unaware of the annual requirement to submit actual wage declarations within 4 months of the end of the workers compensation policy period, SIRA developed an awareness campaign using social media channels such as LinkedIn, Service NSW social media channels and direct email, SafeWork NSW Wrap, Business NSW and other employer channels. The campaign was run in Oct-Nov 2024 and again in May-June 2025 and advised employers of the requirement and potential penalties for non-compliance with updated information on SIRA's website.



## 4.11. Legal and enforcement activity

### 4.11.1. Employer regulatory actions – a focus on return to work

SIRA's inspectors engaged with 154 employers in 2024-25 financial year. The employers were selected in response to complaints, based on risk models and as part of targeted project work.



## 152 employer improvement notices issued for:

- Failure to notify the insurer of a workplace injury within 48 hours (9).
- Failure to establish a return to work program and/or failure to appoint a return to work coordinator (143).

## 169 penalty notices issued for:

- Failure to notify the insurer of a workplace injury within 48 hours (154).
- Failure to establish a return to work program (2).
- Failure to comply with improvement notices (11).
- Not forwarding documentation to insurer within 7 days (2).

## 167 caution letters issued for:

- Failure to notify the insurer of a workplace injury within 48 hours (117).
- Failure to establish a return to work program (43).
- Failure to comply with improvement notices (4).
- Not forwarding documentation to insurer within 7 days (1).
- Failure to submit actual wage declarations on time (2).

## 164 notices issued for:

- Employers to obtain information, documents or evidence in relation to possible contraventions of the workers compensation legislation.

Resulting in

**185 Employer Improvement Notices and 11 penalties.**

4.11.2. Employer regulatory actions – a focus on non and under insurance

In 2024–25, SIRA issued

**4,003** letters to employers highly likely to require a workers compensation insurance policy

As a result

**73%**  
of employers  
incepted a policy

**\$9,190,614**  
in additional premiums  
were collected

**11,887**  
additional workers are  
now covered by a policy

A further

**304** letters  
were sent to employers about their RTW obligations where no workers compensation policy was in place and claims were made under the uninsured liability scheme

During 2024–25, SIRA’s Employer Enforcement Team issued

**645**  
Penalty notices



**565**  
Double avoided premiums



These investigations resulted in an additional

**10,429** employees being covered by workers compensation insurance



Breakdown of enforcement action:

Non-insurance

551

Penalty infringement notices issued

519

Double Avoided Premiums issued

Uninsured liability scheme

59

Penalty infringement notices issued

\$12,555,435

Additional wages identified

\$336,593

Extra premiums collected.

46

Double Avoided Premiums issued

38

New workers compensation policies incepted

288

Extra employees covered.

Under-insurance

35

Penalty infringement notices issued

\$349,397,267

Additional wages identified

376

Investigations

The value of additional workers compensation premiums collected was

\$18,709,704

10,141

Additional employees covered by workers compensation insurance.



### 4.11.3. Insurer regulatory actions

**Table 8: Insurer regulatory activity**

Regulatory activity	2023-2024			2024-2025		
	icare	Self	Specialised	icare	Self	Specialised
Civil penalty	0	1	1	0	2	0
Letter of censure	1	0	0	0	4	0
Special licence conditions	n/a	5	0	n/a	6	0
Direction	0	2	0	0	0	0
Remediation plan	n/a	18	6	n/a	34	3

**Table 9: Summary of fraud investigations and prosecutions**

Financial year	Fraud referrals for investigations	Tip-offs	Cases referred for prosecution	Finalised fraud prosecutions
2020 - 2021	24	215	11	0
2021 - 2022	34	168	5	1
2022 - 2023	46	233	4	2
2023 - 2024	76	202	3	2
2024 - 2025	73	197	26	2
<b>TOTAL</b>	<b>253</b>	<b>1015</b>	<b>49</b>	<b>7</b>

Financial Year	WC Fraud Referrals for Investigations	Cases Referred DCS Legal for Prosecution	Finalised WC Fraud Prosecutions
2024 - 2025	253	49	7

## 4.12. SIRA Workers Compensation Scheme fraud prosecutions

### SIRA v Andrew Leslie

Mr Leslie filed a workers' compensation claim in May 2019 for a psychological injury and began receiving payments in January 2020. However, between July 2020 and January 2023, he worked full-time without informing the insurer, continuing to receive compensation payments totalling \$147,566.40, which he was not entitled to.

He was prosecuted for fraud under Sections 192E(1)(b) and 192G of the *Crimes Act 1900 (NSW)*. On 13 December 2024, he was sentenced to 12 months' imprisonment via an Intensive Corrections Order (ICO) with conditions that included supervision by Community Corrections, repaying the full amount to the Workers Compensation Insurance Fund, and paying \$26,000 in prosecution costs.

### SIRA v MOS Insulation Pty Ltd & Moshin Nabi

On 28 January 2025, MOS Insulation and the company director Moshin Nabi were sentenced by the Local Court for failing to obtain a workers compensation policy. The company was fined \$9,900, imposed a Double Avoided Premium Order of \$11,000, along with prosecutor's costs amounting to \$5,500. Mr Nabi was also personally fined \$5,500.

### SIRA v David Stevens

Mr Stevens presented multiple counterfeit Certificates of Capacity. The prosecution accused him of fraudulent behaviour under Section 235C of the *Workplace Injury Management and Workers Compensation Act 1998 (NSW)*. A monetary penalty of \$1,500 has been imposed, with a payment period of 28 days. Her Honour noted that this fine serves as a replacement for a community service requirement, which she would have mandated had he been deemed eligible. A Community Corrections Order will be in effect for 12 months. Professional fees amounting to \$3,595.63 were due within 28 days.

**Table 10: SIRA's employer enforcement actions – in response to non and under insurance**

Regulation of employers	1 Jul 24 - 31 Dec 24	1 Jan - 31 Mar 25	1 April - 30 Jun 25	Totals
Prompt letters sent to employers at risk of no policy	3003	-	1000	4003
Penalty Infringement Notices	346	64	235	645
Penalty Infringement Notice Value	\$422,200	\$76,500.00	\$262,550.00	\$761,250.00
Double Avoided Premiums	311	54	200	565
Double Avoided Premiums Value	\$6,604,898.71	\$1,284,069.70	\$4,573,872.57	\$12,462,840.98
Additional Premiums	\$10,890,175.53	\$2,233,669.88	\$5,922,452.00	\$19,046,297.41
Additional Workers Covered	1672	1067	7690	10429



# 5. Home Building Compensation Scheme



## 5.1. Home Building Compensation Fund summary

The Home Building Compensation (HBC) Scheme provides homeowners with \$340,000 of cover if the policyholder is unable to complete work or honour statutory warranties due to insolvency, death, disappearance, or has their licence suspended for failing to comply with a Court or Tribunal money order in favour of the homeowner.

There is currently one insurer offering insurance under the HBC Scheme, the Government-operated, NSW Self Insurance Corporation trading as 'icare Home Building Compensation Fund (HBCF)'.

Private insurers who issued insurance under the HBC Scheme until June 2010 continue to manage some claims on those policies.

## 5.2. User engagement

In the 2024-25 financial year, customers viewed the HBC Check webpages 1,157,234 times in comparison to 1,054,301 visits in the 2023-24 financial year.

## 5.3. HBCF practices to determine eligibility for insurance

A SIRA review of icare's HBCF practices was completed in 2024-25 financial year to determine whether building businesses are eligible for insurance.

SIRA engaged McGrathNicol forensic accountants to assess icare's eligibility determinations, with a focus on securities accepted to manage the risk of insolvency. The review examined determinations for 10 selected builders between 2018 and 2022.

A report on this review will be published in 2025-26 financial year.

## 5.4. Application of customer-focused premium setting principles

Under SIRA's Home Building Compensation (Premium) Insurance Guidelines, a licensed insurer may only offer premiums that have been filed with SIRA and that SIRA has assessed and not rejected. Licensed insurers must submit proposed premiums to SIRA at least annually, unless otherwise agreed.



SIRA received a premium filing from icare HBCF in July 2024 and reviewed it against the guidelines. On 23 August 2024, SIRA notified icare that the filing would not be rejected, and the new pricing commenced on 1 November 2024.

On 30 May 2025, icare submitted a new premium filing to SIRA, which will be reviewed and decided in the 2025–26 financial year.

## 5.5. Improving the homeowner experience

Three surveys were conducted during the 2024–25 financial year, with the findings contributing to the HBC Scheme review.

These included:

**1,019** current and prospective homeowners

surveyed between 22 November and 28 November 2024, exploring awareness of the scheme.

**253** owners and senior decision-makers

in residential building businesses surveyed between 23 December 2024 and 8 January 2025, also exploring awareness of the scheme.

**15** members

of the Australian Banking Association or Customer Owned Banking Association surveyed between 25 October and 29 November 2024, exploring awareness, usage, and perceptions of the scheme.

## 5.6. Supervision of icare HBCF insurer –improving the homeowner experience

SIRA undertook 28 reactive supervisory matters involving icare HBCF during 2024–25 financial year. These included insurer referrals, customer complaints, regulator referrals, significant matters, ministerial correspondence, and required submissions under guidelines and quarterly report assessments.

Topics monitored included:

- Claims management
- Eligibility
- Business plan and prudential matters
- Survey findings and recommendations from people with a claim.

## 5.7. Legislative and policy reforms

### 5.7.1. Home Building Compensation Fund review

On 13 August 2024, the NSW Government announced the terms of reference for its review of the Home Building Compensation Fund and appointed Ms Bronwyn Weir to lead the review.

SIRA managed the contract on behalf of the Government and provided secretariat support to the Reviewer and the Reviewer’s Advisory Panel. SIRA also assisted the Reviewer by facilitating public consultation, including stakeholder meetings and a “Have Your Say” page, and commissioned market research to inform the review.

### 5.7.2. Home Building Amendment (Information) Regulation 2025

The *Home Building Amendment (Information) Regulation 2025* commenced on 16 May 2025. The amendment regulation prescribes the Long Service Corporation (LSC) as a government sector agency to which SIRA may disclose information in specified circumstances. The amendment regulation will enable SIRA to share information to LSC to assist in identifying and responding to fraudulent underpayment of contributions for construction workers’ long service leave entitlements, in connection with underpayment of HBC insurance premiums.

### 5.7.3. Insurance exemptions under exceptional circumstances

Developers or building businesses can apply to SIRA for an exemption from certain HBC insurance requirements if there are exceptional circumstances or if full compliance is impossible or would cause significant hardship.

In 2024-25, SIRA received 15 applications for insurance exemptions, approving 6, refusing 2, and 6 were withdrawn. One is yet to be determined as at the end of financial year 2024-2025. Eight of the 15 applications related to ‘Project Remediate’, the NSW Government project to remediate cladding on high-rise buildings. SIRA must publish a register of all exemptions granted, which is available on SIRA’s website.

### 5.7.4. Home Building Compensation Scheme performance

SIRA monitors the performance of the NSW Home Building Compensation Scheme to ensure that it remains effective, efficient, affordable, and sustainable. The scheme’s performance is assessed across key dimensions, including effectiveness, efficiency, affordability, viability, customer experience, and equity.

Table 11: Home Building Compensation performance

Focus area	Home Building Compensation performance	2024-25	2023-24
<b>Effectiveness</b> The scheme supports people with a claim to attain the best possible outcomes.	Percentage of claims where the first liability decision made within 90 days of claim lodged.	77.13 %	74.59%
<b>Efficiency</b> The scheme is efficiently delivered in terms of costs and timeliness.	Average number of days to the first liability decisions from date claim received.	75.5	88.2
<b>Affordability, Viability and Equity</b> Premiums adequately cover costs without being excessive.  The scheme is sustainable for future generations and is fair and equitable in providing benefits.	Premiums as a percentage of building contract value.	1.01%	1.02%
	Value of premiums collected (excluding charges).	\$230.99M	\$216.63M
	Percentage of NSW contractors (builders) with current eligibility.	12.75%	12.62%
<b>Customer experience</b> Whether purchasing a policy or claiming benefits, customers receive a positive experience.	Number of customer complaints received by SIRA.	42	73
	Number of enquiries received by SIRA.	749	884

### 5.7.5. Home building insurance compliance - proactive enforcement project

In April 2025, SIRA concluded a statewide audit targeting insurance compliance of building businesses working on ‘Class 1’ buildings – such as houses, duplexes, and granny flats. A total of 100 building businesses were selected for review using data-matching. SIRA found that 55 of the businesses audited did not meet their insurance obligations under the *Home Building Act 1989*.

SIRA also conducted an insurance compliance project targeting the construction of low-rise residential apartment buildings. Of the 17 building businesses reviewed 5

received official cautions for non-compliance and actions in respect of two of the businesses were yet to be completed as at the end of financial year 2024-25.

In June 2025, SIRA commenced a further compliance project targeting building and renovation work on homes and contacted 20 building businesses to obtain information. This project will continue in 2025-26.

### 5.7.6. Summary of supervision, enforcement & regulatory actions

In 2024–25 financial year, SIRA achieved the following milestones:

6

Insurance exemptions granted

59

notices issued to building businesses

1,797

building projects reviewed to ensure they complied with insurance requirements

34

official caution letters issued to building businesses

2

Penalty Infringement Notice issued to a building business

0

Uninsured projects detected, which were then insured after a notice was issued

2

Regulatory compliance review of icare conducted following a complaint

### 5.7.7. Significant Matters

SIRA received two significant matter reports from icare in 2024-25 financial year (new significant matter reporting requirements for licensed insurers commenced on 1 March 2024).

### 5.7.8. icare HBCF claims and eligibility performance data

SIRA collects and publishes data from insurers to monitor the operation of the scheme. In May 2025, the SIRA Board approved that SIRA publish HBC Scheme data in an open data format. These new publishing arrangements will commence in 2025-26.

### 5.7.9. Run-off insurers

‘Run-off insurers’ are private insurers that were approved to offer home warranty insurance prior to 1 July 2010 by the then Minister. Run-off insurers continue to be regulated under Part 17 of Schedule 4 of the *HB Act 1989*.

**There were 3 run-off insurers with open claims as at 30 June 2025:**

- Insurance Australia Group Ltd
- Enstar Group (formerly Calliden)
- Suncorp Group.

### 5.7.10. Monitoring insolvency trends

SIRA monitors state and national trends in the construction industry, given that insolvency is the primary cause of home building compensation insurance claims. This includes commercial buildings, high-rise residential apartment construction and home construction and renovation covered by the Home Building Compensation Scheme.

In 2024-25 financial year, there were 1567 construction companies that entered external administration for the first time in NSW.

In 2024-25 financial year, there was an 11% increase in the number of businesses entering external administration for the first time in NSW (compared to a national increase of 20.8%). This increase is not as high as previous years. The level of insolvency is impacted by interest rates, building construction costs, supply chain issues and labour shortages. These issues and the resulting increase in insurance claims are expected to continue.





## 6. Customer, Data and Delivery

The Customer, Data and Delivery division supports the work of SIRA through the delivery of enabling services in communications, digital, data & analytics, and customer research and insights. The division also delivers a range of advisory and transactional services directly to policy holders and people with a claim. Customer, Data and Delivery is also responsible for multiple statutory review processes and SIRA's complaint function.

## 6.1. CTP Assist

CTP Assist provides free information services to people who are injured on our roads. The service proactively contacts people with a claim prior to key milestones in their claims journey. For example, when benefits are about to change, to make sure people have the right information at the right time about their claim.

Table 12: CTP Assist activity

CTP Assist activity (2024-25)	Compared to last financial year
13,343 successful outreach calls made to people with a claim.	▼ 4% decrease
21,878 inbound calls received	▲ 10% increase
15,398 customer contacts through digital channels	▼ 10% decrease
4,881 customers connected with the appropriate insurer	▲ 9% increase
+50 Net Promoter Score	▼ 3% decrease

## 6.2. Trauma Support Service and specialised claims support

SIRA offers specialised support to families affected by a fatal motor crash, to help with the CTP claim lodgement process and access to SIRA's Trauma Support Service.

SIRA's Trauma Support Service offers immediate psychological assistance to family members affected by a fatal motor crash, without the need for a CTP claim. Operated by PeopleSense by Altius, it provides up to 6 sessions with a psychologist for grief and trauma support. Eligibility extends to a range of family relations, with appointments available weekdays and crisis counselling offered 24/7.

The percentage of families contacted following a crash and allowing SIRA to assist with their claims now exceeds 90%, with 319 families receiving support in 2024 alone.

## 6.3. Workers Compensation Assist

Workers Compensation Assist provides information and advice to a targeted group of people who have been injured in the workplace. This includes explaining rights, entitlements and what to expect during the claims journey. The support service has been set up in line with 16 personal domain factors, such as trust in the scheme, which are known to positively influence people's outcomes.

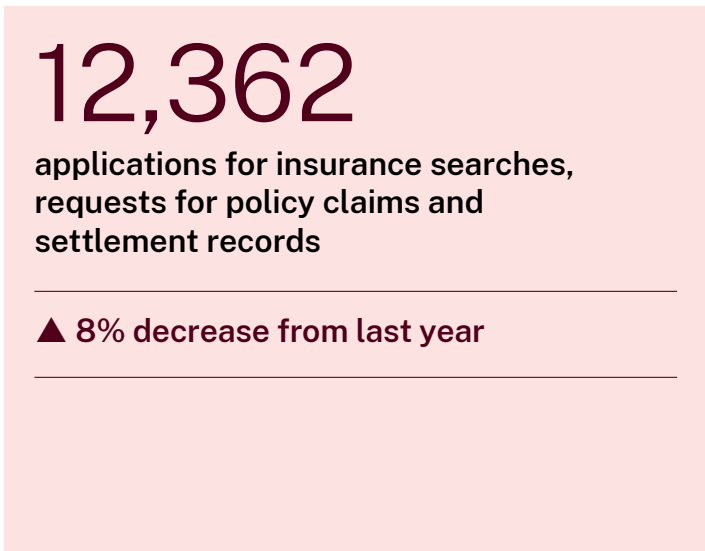
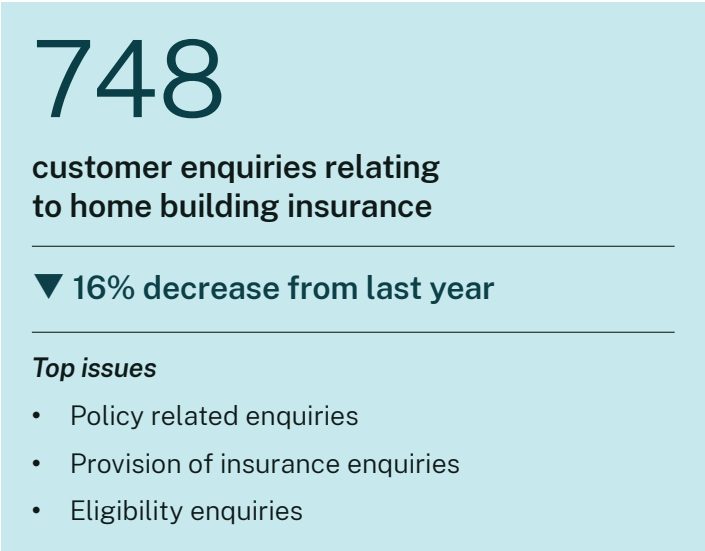
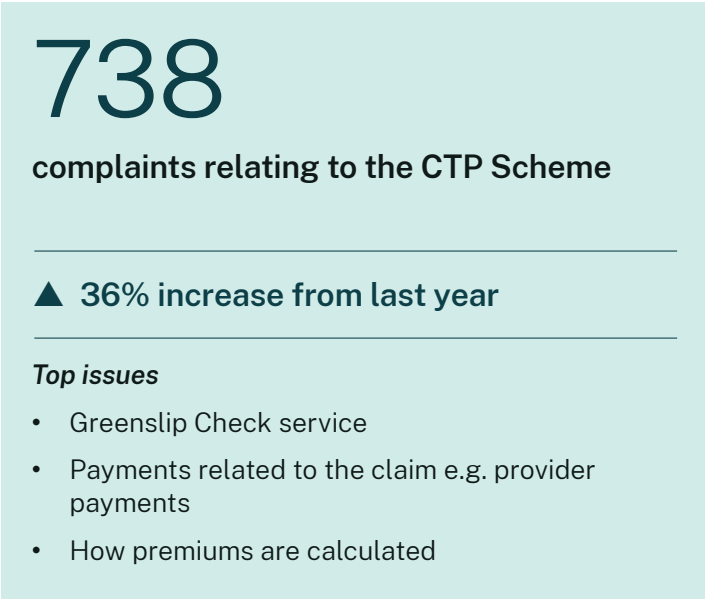
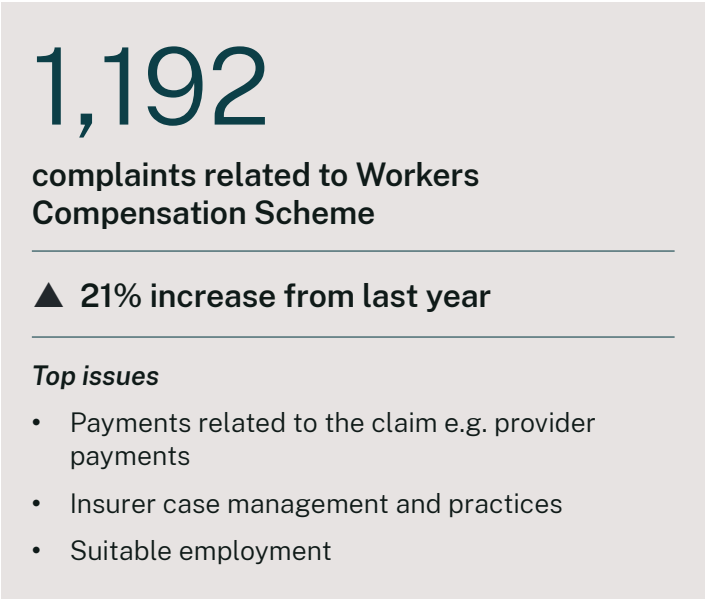
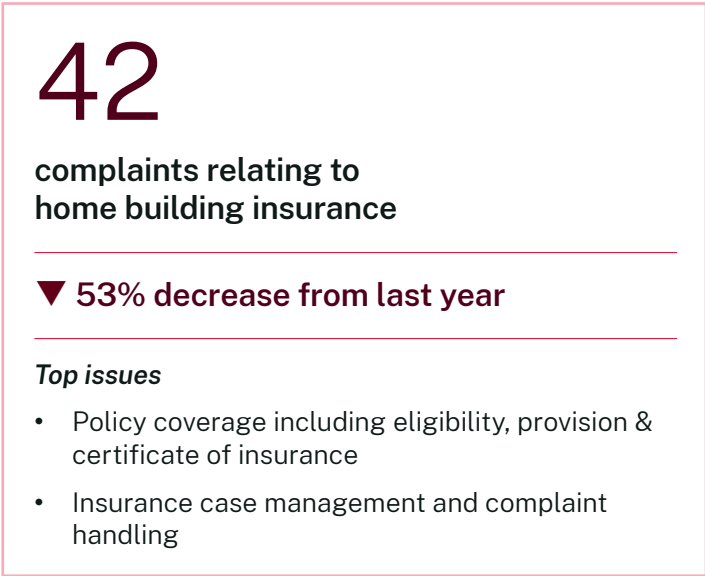
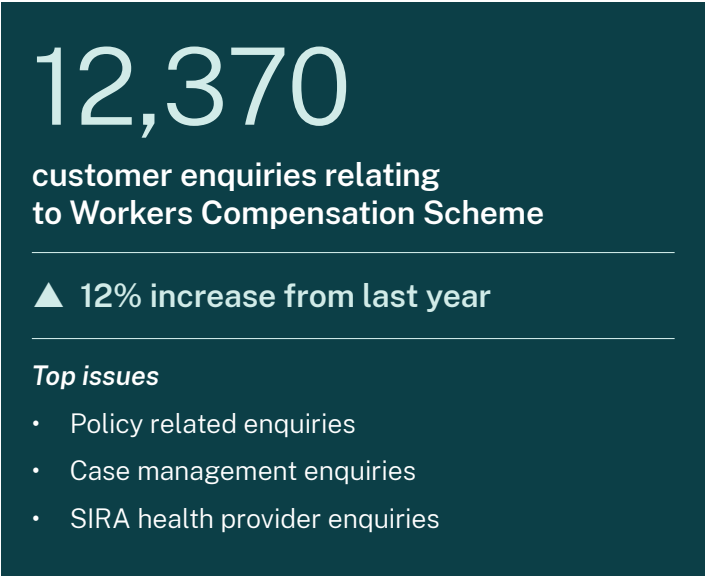
In 2024-25, the first full year of operation, the service has:

- made **1,642 successful outreach calls** to people with a claim
- achieved a **Net Promoter Score of +76**
- measured customer impact in relation to several personal domain factors known to influence return to work outcomes, including positive trust in the scheme, which **achieved a score of 80%**.

## 6.4. SIRA Assist

SIRA Assist helps customers across all SIRA regulated schemes, including assistance with complaints and enquiries.

In 2024-25, SIRA Assist saw:





## 6.5. Measuring SIRA’s customer experience

To ensure the services and processes delivered continue to provide positive customer outcomes and experience, customers receive touch point surveys following interactions with SIRA to give them the opportunity to share feedback and suggestions and to rate their experience.

This financial year, the Customer Satisfaction Score (CSAT) across SIRA’s inbound and outbound service was **85%** (FY23 score 78%).

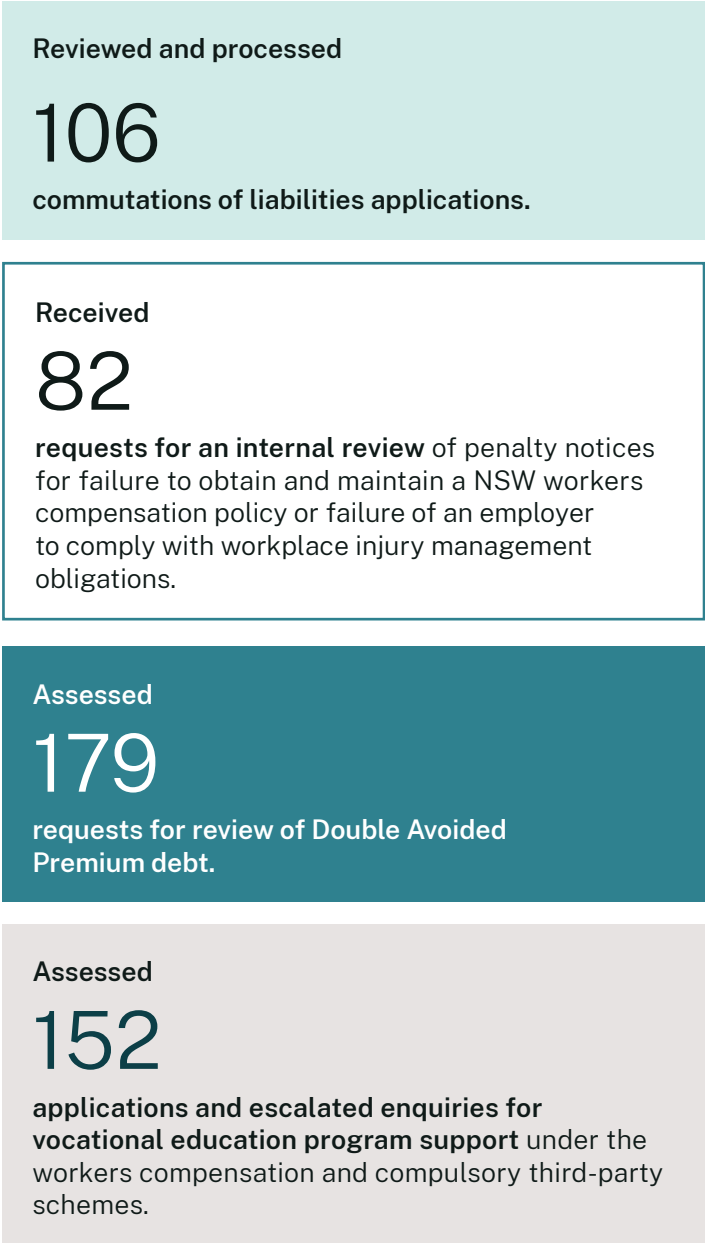
For outbound services only, both a Net Promoter Score (NPS) and Customer Satisfaction Score are collected. For the financial year, the **combined NPS was +64** (FY23 score +53) and the **CSAT was 91%** (FY23 score 88%).

NPS is a well-accepted benchmarking tool for customer satisfaction, used worldwide. The most recent sector benchmarks, as published by the Australian Customer Experience Professionals Association, shows the car insurance NPS as 53.9, the banking sector as 48.8, with the highest-ranking industry, the energy sector, at 55.6.

## 6.6. Regulatory Assessments and Reviews

The Regulatory Assessment and Review team provides application and review functions in relation to multiple SIRA regulatory processes. This includes reviews of penalty notices and statutory functions such as assessing commutation of liabilities applications.

In 2024-25, Regulatory Assessment and Review:



## 6.7. Frontline service insights

SIRA shares the insights generated by our frontline contacts talking to customers with other teams in SIRA to inform their work. This includes high level statistics on issues and complaints raised and curated customer calls, which are shared via a dedicated internal channel. In the reporting period, the frontline services insights hub received 10,981 visits.

## 6.8. SIRA Language Guide

SIRA created a Language Guide to inform SIRA's communication, work and engagement with its customers. Using SIRA's Customer Experience Principles it emphasises the need for ease of access and acting with empathy through the language it uses. This is delivered through recovery-orientated and person first language. SIRA has shared the guide with other government agencies when collaborating on government initiatives, such as the Whole of Government Return to Work Strategy.

## 6.9. SIRA website

The new SIRA website launched in December 2024 to make it easier for customers to find and understand information about the schemes we regulate. It supports our SIRA 2025 goal of putting customers at the centre.

The website was redesigned with input from customers. It has a clearer structure, improved navigation and stronger privacy, accessibility and security features.

All content is written in plain English and follows SIRA's Language Guide, using a person-first approach to promote clarity and respect. This also enables seamless translation into 71 languages via Google Translate, making the site more accessible to diverse communities.

The new site simplifies how customers interact with SIRA and makes it easier for our teams to manage and update content. It's a key step in enhancing our capability through digital.

## 6.10. Digital support tools

SIRA has 4 web applications designed to help people understand and navigate the schemes SIRA regulates.

- The **'have you been injured at work?'** app empowers people who have been injured at work to understand their entitlements and prepare for next steps in their recovery.
- The **home building assist tool** helps homeowners and developers of residential projects to understand home building compensation requirements.
- **Small business assist** provides compliance support for small businesses if an employee has a work-related injury or illness.
- The **worker or contractor tool** helps employers or principal contractors to assess workers compensation requirements for individual workers. This step-by-step tool was completed by 5,082 customers.

SIRA also provides free online training for people wanting to work as a 'return to work coordinator' in NSW, or existing coordinators wanting to refresh their knowledge. The training saw 3,914 new registrations over the year, with 2,595 of those being employers.

## 6.11. Customer experience research

SIRA continued the customer research program which looks at the experiences of people with a claim in either of the personal injury schemes it regulates. Each month, survey invitations have been sent to everyone who has either passed 90 days in their open claim or whose claim has closed. From July 2024 to May 2025, 11,586 people chose to participate in the research.

The surveys capture feedback on the overall process and treatment received within the scheme as well as on specific touchpoints such as with the insurer, main healthcare professional and employer. The survey also collects information on health outcomes, complaints and disputes.

The insights from the program help inform work in policy, supervision, and service design.

## 6.12. Research and development

Research is at the core of SIRA's strategic framework. It underpins our key functions to ensure workers compensation, CTP and home building compensation insurance schemes are fair, affordable, and effective for policy holders, and for people who make a claim for compensation today or in the future.

## 6.13. Total research funding for 2024-25 financial year

Table 13: Total research funding for 2024-25 financial year

Funding source	Amount (\$) \$'000
Motor Accidents Operational Fund	4,440
Workers Compensation Operational Fund	1,214
<b>Total</b>	<b>5,654</b>

## 6.14. Research and education programs funded from the Motor Accidents Operational Fund expended in 2024-25

Allocated funds may be subject to adjustment in some instances.

Table 14: Research and education programs funded from the Motor Accidents Operational Fund expended in 2024-25 financial year

Recipient	Details	Nature	Amount (\$) \$'000
AAI Limited (Suncorp)	AAMI Safe Driver Telematic smartphone app	Funding Agreement	50
Monash University	National Road Safety Partnership Project	Funding Agreement	37
Monash University	Vehicle Safety Research Group	Funding Agreement	48
Monash University	Long CTP claims	Funding Agreement	67
Northern Sydney Local Health District	John Walsh Centre for Rehabilitation Research Core Funding 2021-2026	Funding Agreement	775
Northern Sydney Local Health District	2024 JWCRR Forum	Funding Agreement	18
Research Impact Academy (trading as Knowledge Translation Australia Pty	John Walsh Center for Rehabilitation Research Core Funding – Final-term Evaluation	Funding Agreement	24
Royal Australasian College of Surgeons	NSW Trauma Hospital Verification Program	Funding Agreement	82
The Agency for Clinical Innovation	NSW Trauma Outcomes Registry and Quality Evaluation (NSW Torque)	Funding Agreement	100
Transport for NSW	Centre for Road Safety Partnership	Funding Agreement	2,521
University of Melbourne	SMART Trial	Funding Agreement	474
University of Melbourne	Low Value Care	Funding Agreement	235
University of Sydney	My Whiplash Navigator	Funding Agreement	9
<b>Total</b>	-	-	<b>4,440</b>



## 6.15. Research programs and education funded from the Workers Compensation Operational Fund expended in 2024-25

Allocated funds may be subject to adjustment in some instances.

Table 15: Programs funded from the Workers Compensation Operational Fund

Recipient	Details	Nature	Amount (\$) \$'000
Black Dog Institute	Recovery after Psychological Injury 2-Year Research Fellowship	Funding Agreement	81
Behavioral Insights Australia	Workers Compensation Claims Management Review (L&J R18)	Funding Agreement	119
Ernst & Young	Workers Compensation Scheme Design 2025	Funding Agreement	138
Northern Sydney Local Health District	2024 John Walsh Center for Rehabilitation Research Forum	Funding Agreement	4
Northern Sydney Local Health District	John Walsh Center for Rehabilitation Research Core Funding 2021-2026	Funding Agreement	194
Research Impact Academy (trading as Knowledge Translation Australia Pty)	John Walsh Center for Rehabilitation Research Core Funding – Final-term Evaluation	Funding Agreement	24
Royal Australasian College of Surgeons	NSW Trauma Hospital Verification Program	Funding Agreement	82
University of Adelaide	ANZRC National Telehealth Framework Project	Funding Agreement	45
University of Melbourne	Low Value Care	Funding Agreement	227
Urbis Ltd	Workplace Rehabilitation Provider Evaluation	Funding Agreement	300
Total	-	-	1,214

## 6.16. SIRA funded vocational programs

No new programs or funding allocated for 2024-25.

# 7. Training and development

## 7.1. Leadership training and development

The SIRA 2028 strategy focuses on learning and growth to foster high performing people and operations. In 2024-25 SIRA continued to invest in our people to further this strategic goal.

In 2024-25, 67 people leaders completed the Elevate Leadership Program and 13 high performing women completed the RISE Accelerate Program. Two members of SIRA's executive leadership team were also selected for the NSW Public Sector Executive Excellence Program (Band 1).

SIRA's Senior Leadership Team completed both components of Everyone's Business, a cultural capability training package developed by the Public Service Commission for the NSW public sector workforce.

In consideration of SIRA's Functional Review and to support change management capability SIRA developed a tailored course with the Institute of Public Administration Australia (IPAA) which was delivered to all people leaders.

## 7.2. Mandatory training

DCS and SIRA provide a program of mandatory training for all staff, including contractors, to ensure they have the skills and knowledge needed to operate with the highest levels of integrity. The program is continuously improved and tailored to meet SIRA's needs and enable informed decision-making.

Foundational modules are required to be completed by all new starters. In 2025 refresher learning modules were issued to all staff on a quarterly basis to ensure the maintenance of foundational knowledge requirements.

The mandatory training curriculum was designed to give staff a greater understanding of conduct expectations, maintaining a safe, fair and ethical working environment, and their responsibilities relating to cyber security, records management and privacy.

People Leaders completed additional mandatory training on the prevention and response to workplace sexual harassment and public disclosures in 2024-25. All staff who participate in the purchasing of goods and services, or sourcing of suppliers completed mandatory procurement training.

## 7.3. Non-mandatory training

In 2024-25, SIRA staff were also provided with access to several non-mandatory courses offered by a range of leading experts, including:

- Career development and self-improvement
- Systems
- Microsoft products
- Managing people and leadership
- Project management
- Positive workplace culture/ wellbeing.

## 7.4. Other SIRA training and development

In 2024-25 SIRA continued its sponsorship of staff undertaking the Graduate Certificate in Personal Injury Management through the Personal Injury Education Foundation (PIEF)-Monash University postgraduate pathway. Two scholarships were awarded to SIRA staff and support for 3 participants awarded the scholarship in previous years continued. All participants will exit the program with enhanced skills and knowledge in personal injury and disability insurance management, better equipped to become future leaders in the industry.

A workshop on regulatory capture led by Dr Grant Pink from the Australia and New Zealand School of Government (ANZSOG) was delivered to 300 SIRA employees in April 2025. A further 34 staff members participated in the ANZSOG Professional Regulator Program: Foundation. The program was developed in a partnership between the National Regulator Community of Practice, ANZSOG and the Australian National University's School of Regulation and Global Governance (RegNet). It draws on the New Zealand Government Regulatory Practice Initiative to uplift knowledge and expertise in Australia's regulatory workforce.

Staff from across SIRA attended persuasive writing workshops delivered by the Plain English Foundation which targeted the effective communication of core messages about findings and implications clearly and concisely.

All staff were provided the opportunity to participate in change resilience workshops which were developed jointly by SIRA and IPAA, following the success of the people leader change management workshops. Additionally, all staff were invited to attend a workshop delivered by the Black Dog Institute in April 2025 which focused on mental health in the workplace.

# Management and Accountability





# 8. SIRA key legislation and regulations

## 8.1. Principal legislation

SIRA has statutory functions under the following legislation:

- *Home Building Act 1989* (Parts 6, 6A, 6B and 6C)
- *Motor Accident Injuries Act 2017*
- *Motor Accident Act 1988*
- *Motor Accidents Compensation Act 1999*
- *State Insurance and Governance Act 2015* (except Part 2 and Schedules 1 and 2, and Parts 1 and 4 and Schedule 4 in so far as they relate to Insurance and Care NSW)
- *Workers Compensation Act 1987* (except for Part 4 and Part 7, Division 1A)
- *Workplace Injury Management and Workers Compensation Act 1998*.

## 8.2. Key Regulations

- *Motor Accident Injuries Regulation 2017*
- *Motor Accidents Compensation Regulation 2020*
- *Personal Injury Commission Regulation 2020*
- *State Insurance and Care Governance Regulation 2021*
- *Workers Compensation Regulation 2016*
- *Home Building Regulation 2014*.

## 8.3. Other legislation

The following legislation is allocated to the Minister for Work Health and Safety however, SIRA has some regulatory functions under the following Acts:

- *Motor Accidents (Lifetime Care and Support) Act 2006*
- *Workers Compensation (Bush Fire, Emergency and Rescue Services) Act 1987*
- *Workers Compensation (Dust Diseases) Act 1942*.

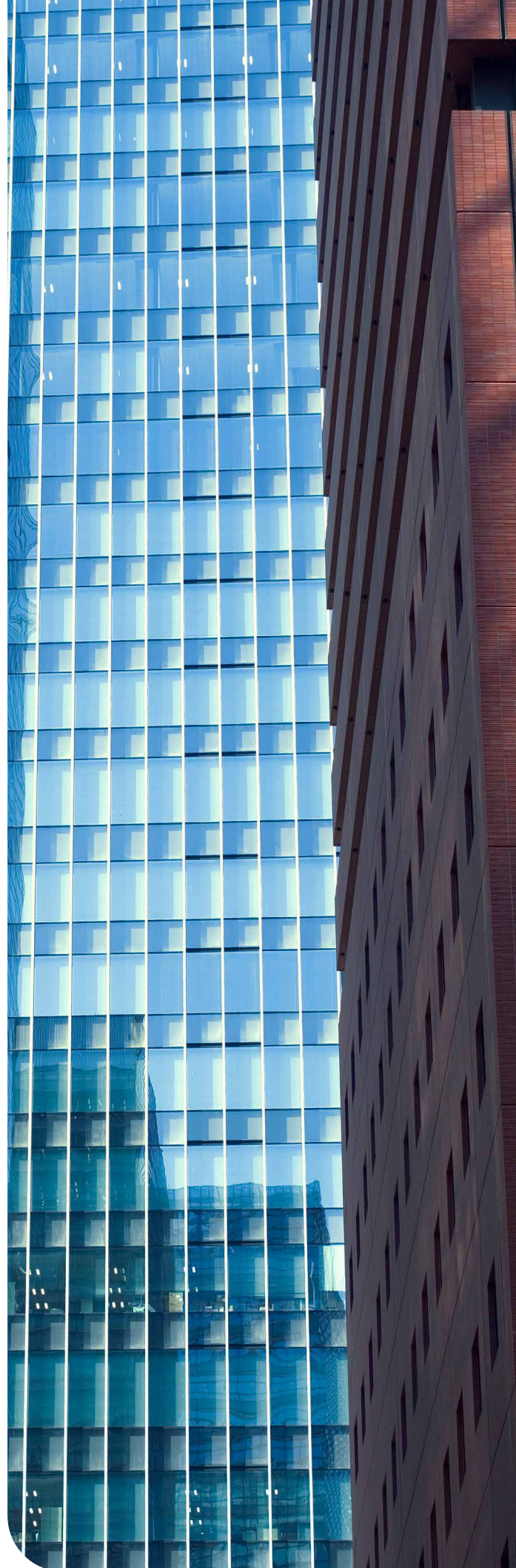
## 8.4. Changes in Acts and subordinate legislation

- *State Insurance and Care Governance Amendment (Governance Arrangements) Act 2024* No 88
- *Home Building Amendment (Information) Regulation 2025*
- *Workers Compensation Amendment (Information Disclosure) Regulation 2024*
- *Home Building Amendment (Supervision Practice Standard) Regulation 2024*.

# 9. Legal context and change

## Changes in Acts and subordinate legislation

- State Insurance and Care Governance Amendment (Governance Arrangements) Act 2024 No 88
- Home Building Amendment (Information) Regulation 2025
- Workers Compensation Amendment (Information Disclosure) Regulation 2024
- Home Building Amendment (Supervision Practice Standard) Regulation 2024.



# 10. Significant judicial decisions

## **Allianz Australia Insurance Limited v Estate of the Late Summer Abawi [2025] NSWCA 85**

The NSW Court of Appeal decision in *Allianz v Abawi* [2025] NSWCA 1285 concluded that an injury to skin is a soft tissue injury for the purposes of the definition of threshold injury in section 1.6 of the *Motor Accidents Injuries Act 2017*. The judgment of the Court of Appeal reinstates the existing operation of the NSW CTP scheme, meaning that most skin injuries will continue to be classified as threshold injuries. SIRA are continuing to monitor how skin injuries are dealt with in the scheme.

## **McTye v Ching Yu Chang by his tutor Leo Alexander Birch [2025] NSWCA**

The decision of *McTye v Chang* [2025] NSWCA 3 held that an accident involving a bus operated by the State Transit Authority should be categorised as a ‘public transport accident’ not a standard vehicle accident. As such, a person injured in such an accident would, through the operation of section 121 of the *Transport Administration Act 1988* (TA Act), have any award of damages assessed under Chapter 5 of the *Motor Accident Compensation Act 1999* (MAC Act). The impact of the decision on the CTP scheme, particularly for claims involving buses, has resulted in a number of operational challenges as it has changed how claims for this group of injured people are handled.



# 11. Additional reporting matters

## 11.1. Infrastructure program

SIRA has no major works.

## 11.2. Overseas Travel

No overseas travel occurred for any SIRA staff in the 2024-25 financial year.

## 11.3. Implementation of Price Determination

SIRA is not subject to a determination or recommendation of the Independent Pricing and Regulatory Tribunal.

## 11.4. Factors affecting achievement of operational objectives

There were no reportable factors affecting the achievement of operational objectives.

## 11.5. Events arising after the end of the annual reporting period

There were no events after the end of the annual reporting period that had significant effect on SIRA's clientele, or financial or other operations.

# 12. Consultants

A consultant is an individual or organisation engaged to provide recommendations or high-level specialist or professional advice to assist in the decision-making by management. Their role is advisory in nature.

## 12.1. Engagements costing greater than \$50,000

**Table 16: Consultants that cost more than \$50,000**

Vendor	Scheme	Description	Total \$,000
Ernst & Young Australia	Motor Accidents Insurance Regulation	Actuarial Services – Actuarial Services across the CTP Scheme, including assessments of licensed insurers' premium filings and mandatory scheme levies; reviews of the risk equalisation mechanism schedule; CTP Scheme claims liability valuations; support for transitional excess profit and loss (TEPL) assessments and CTP premium determination guidance	1,949
Ernst & Young Australia	Workers Compensation Regulation	Actuarial Services – Assessments of Nominal Insurer and Self-and Specialised Insurer premium Filings, claims performance monitoring and performance reviews; reviews and assessments of mandatory scheme levies; modelling in line with WC legislation	889
Ernst & Young Australia	Home Building Regulation	Actuarial Services – Assessment of premium filings	47
Ernst & Young Australia	Insurers' Guarantee Fund	Actuarial Services – Scheme claims liability valuation	52
Finity Consulting P/L	Motor Accidents Insurance Regulation	Actuarial Services – Transitional excess profit or loss (TEPL)	181
Weir Legal and Consulting	Home Building Regulation	Review of the Home Building Compensation Fund	148
CorbettPrice	-	Review of SIRA's current operating model	162
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,428</b>

## 12.2. Engagements costing less than \$50,000

**Table 17: Consultants that cost less than \$50,000**

Number of engagements	Total \$,000
1 engagement	9

# 13. Internal Audit and Risk Management Policy Attestation

The Chief Executive of SIRA has attested that internal audit and risk management processes in place during the 2024–25 financial year comply with the Core Requirements of the NSW Treasury Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08).

Core requirement	Compliant, non-compliant, or in transition
1. Risk Management Framework	
The SIRA Chief Executive shall accept ultimate responsibility and accountability for risk management in SIRA.	Compliant
The SIRA Chief Executive shall establish and maintain a risk management framework that is appropriate for SIRA. The SIRA Chief Executive shall ensure the framework is consistent with <i>AS/NZS ISO 31000:2018 Risk Management Guidelines</i> .	Compliant
2. Internal Audit Function	
The SIRA Chief Executive shall establish and maintain an internal audit function that is appropriate for SIRA and fit for purpose.	Compliant
The SIRA Chief Executive shall ensure that the operation of the internal audit function is consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
The SIRA Chief Executive shall ensure SIRA has an Internal Audit Charter that is consistent with the content of the ‘model charter’.	Compliant
3. Audit and risk committee	
The SIRA Chief Executive shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the SIRA Chief Executive on SIRA’s governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
The SIRA Chief Executive shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the ‘model charter’.	Compliant



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## Membership

The independent chair and members of the Audit and Risk Committee are:

- Ms Christine Feldmanis, Independent Chair, from 1 February 2024 to 31 January 2027.
- Ms Kerry Adby, Independent Member, from 1 March 2024 to 29 February 2028.
- Ms Lyn Baker, Independent Member, from 1 February 2024 to 31 January 2029.



**Mandy Young**  
**SIRA Chief Executive**  
16/07/24



**Carly Dunlop**  
**SIRA Chief Audit Executive**  
16/07/24

# 14. Risk management and insurance activities

## 14.1. Risk management

SIRA adheres to the:

- DCS Risk Management Policy
- DCS Risk Management Framework
- AS/NZS ISO 31000:2018 Risk Management Guidelines and
- NSW Treasury Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08).

SIRA manages risk in line with the DCS Portfolio approach, focusing on risks to people with an injury, scheme viability and corporate compliance. Regular reporting of risk management activities is made to the SIRA Executive Leadership Team, SIRA Audit and Risk Committee and SIRA Board.

### 14.1.1. Climate-related financial disclosures

NSW Treasury is phasing in mandatory climate-related financial disclosures for NSW government agencies over 3 years from financial year 2024-25.

In line with TPG24-33, SIRA is a phase 2 entity. Climate-related disclosures are therefore anticipated to be adopted from financial year 2025-26 onwards.

## 14.2. Insurance activity

SIRA is a member agency of the Treasury Managed Fund (TMF), a government self-insurance scheme.

SIRA's insurance policy is based on TMF's statement of cover as follows:

- workers compensation
- motor vehicle
- property
- general liability
- miscellaneous risks.

## 14.3. Number of insurance activity claims

Reportable claims include claims incidents where payments were made, or estimates established. Non-reportable claims include claims incidents with no payments and nil estimates that are not or not yet classified as claims.

**Table 18: Number of insurance activity claims by financial year**

Claim type	2024-25
Workers Compensation	22
General Liability	4
<b>Total</b>	<b>26</b>

## 14.4. Net incurred cost of insurance activity claims

The final costs and claim numbers may vary due to the timing of loss incurred, claims reported, and the outcome of the negotiated settlement.

**Table 19: Net incurred cost of insurance activity claims by financial year**

Claim type	2024-25
Workers Compensation	\$1,107,661.83
General Liability	\$930,000
<b>Total</b>	<b>\$2,037,661.83</b>

# 15. Privacy and Personal Information Protection Act 1998 (PPIPA)

The *Privacy and Personal Information Protection Act 1998* (PPIP Act) governs how NSW public sector agencies manage personal information. It defines personal information and outlines the responsibilities of agencies in collecting, storing, and using such information.

SIRA is committed to protecting the personal and health information of customers, staff, and third parties. Its approach to privacy is guided by the Privacy Management Plan and the requirements of the PPIP Act, as well as the *Health Records and Information Privacy Act 2002*.

## Privacy management framework

SIRA demonstrates compliance with privacy legislation through:

- A privacy management plan and supporting framework
- A dedicated Privacy Officer role, with responsibility for privacy advice on project design and privacy-by-design principles
- Mandatory privacy training for all staff as part of onboarding
- Refresher training and internal education campaigns
- Privacy incident response and management processes
- Procedures to protect and secure personal and health information
- Digital security and risk mitigation mechanisms

## Privacy obligations and oversight

The Privacy Management Plan sets out how SIRA handles personal and health information, ensuring that data is collected lawfully, kept secure, and used appropriately. It also outlines how SIRA meets its obligations under the PPIP Act and the Health Records and Information Privacy Act 2002.

## Registers and response planning

SIRA maintains a Public Incident Register and a Data Breach Response Policy, in line with the Mandatory Notification of Data Breach Scheme (MNDB Scheme). These tools help monitor incidents, guide breach responses, and support transparency.

More information about SIRA's privacy practices is available on the SIRA website.

### 15.1. Privacy internal review applications

In 2024-25, SIRA received and responded to zero formal privacy internal review applications relating to the handling of personal or health information.

# 16. Access to government information: *Government Information (Public Access) Act 2009*

The *Government Information (Public Access) Act 2009* (GIPA Act 2009) provides an open and transparent process for providing members of the public with access to government held information and encourages the proactive public release of such information.

SIRA's program for the proactive release of information, as required by section 7(3) of the GIPA Act 2009, involves identifying information held by SIRA that can be made publicly available.

All information available to SIRA, including information collected through our services and regulatory activities, new information produced during the reporting year and information sought via a formal or informal GIPA application process is considered by SIRA as potentially suitable for proactive release under section 7(3) of the GIPA Act 2009.

Information identified as being in the public interest and suitable for proactive release is primarily published on SIRA's website.

Proactively released information includes a wide range of materials such as resources about SIRA's regulatory functions and activities, media releases, compliance measures, updates on scheme performance and/ or regulated entity performance, law reforms, policy developments, internal policies and frameworks, scheme data and factsheets.

SIRA also issues subscriber-based bulletins and uses its social media pages to promote our agency activities and increase awareness of proactively released guidance materials, information and resources which aim to benefit all customers and users of our schemes and services.

Through its Regulatory Publishing Policy, SIRA also actively considers how to be more proactive and ensure greater access to information by publishing information about its

regulatory actions and the performance of regulated entities to advance accountability, compliance, and confidence in the NSW CTP Scheme, Workers Compensation Scheme and Home Building Compensation Scheme.

## 16.1. Formal access applications

SIRA received 36 formal access applications during the 2024-25 financial year. This includes:

- 3 applications that were successfully transferred to other Government agencies for processing.
- 4 applications that produced multiple decisions.
- 5 applications that were received in the reporting period but were decided after 30 June 2025.

This resulted in SIRA deciding 28 access applications which delivered a total of 37 decisions (also referred to as outcomes) during the 2024-25 financial year. This data is reflected in Table A and Table B. Both tables comprise the same data although each table is configured differently to reflect the type of applicant who requested information (Table A), or the nature of the information requested (Table B). Some access applications included multiple outcomes (decisions) leading to a greater number of outcomes or decisions than the total number of formal access applications.

Data on the formal access applications received in 2024-25 is included in Tables A-I.



## 16.2. Decisions made during the reporting year by type of applicant and outcome

**Table A: Decisions made during the reporting year by type of applicant and outcome**

Applicant Type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application in part	Refuse to confirm or deny whether information is held	Application withdrawn	Total decisions
Media	0	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0
Private Sector Business	4	1	0	2	0	1	0	0	8
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0
Member of the public (application by legal representative)	5	1	0	3	1	1	0	0	11
Member of the Public (other)	9	3	0	1	1	3	1	0	18
<b>Total</b>	<b>18</b>	<b>5</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>37</b>

More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. Therefore, the numbers of decisions recorded in Table A may be different from the total number of applications received. This also applies to Table B.

**Table B: Decisions made during the reporting year by type of application and outcome**

Applicant Type	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application in part	Refuse to confirm or deny whether information is held	Application withdrawn	Total decisions
Personal information applications <sup>1</sup>	10	3	0	3	2	3	0	0	21
Access applications (other than personal information applications)	7	1	0	2	0	1	1	0	12
Access applications that are partly personal information applications and partly other	1	1	0	1	0	1	0	0	4
<b>Total</b>	<b>18</b>	<b>5</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>37</b>

<sup>1</sup> A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

## 16.3. Details about invalid applications

**Table C: Details about invalid applications**

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act 2009).	0
Application is for excluded information of the agency (section 43 of the GIPA Act 2009).	0
Application contravenes restraint order (section 110 of the GIPA Act 2009).	0
<b>Total number of invalid applications received</b>	<b>0</b>
<b>Invalid applications that subsequently became valid applications</b>	<b>0</b>

## 16.4. Decisions to refuse access to Schedule 1 information

**Table D: Decisions to refuse access to Schedule 1 information - Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the GIPA Act 2009.**

Conclusive presumption of overriding public interest against disclosure (Schedule 1 of the GIPA Act 2009)	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	2
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0
<b>Total number of times consideration was used</b>	<b>2</b>

\*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

## 16.5. Other public interest considerations against disclosure

**Table E: Other public interest considerations against disclosure: Matters listed in table to section 14 of the GIPA Act 2009**

Other public interest considerations against disclosure (Section 14 of the GIPA Act 2009)	Number of times consideration used
Responsible and effective government	8
Law enforcement and security	0
Individual rights, judicial processes and natural justice	8
Business interests of agencies and other persons	2
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0
<b>Total number of times consideration was used</b>	<b>18</b>

## 16.6. Timeliness

**Table F: Timeliness of decisions made during the reporting year**

Timeliness	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	18
Decided after 35 days (by agreement with applicant)	6
Not decided within time (deemed refusal)	4
<b>Total number of applications that were decided</b>	<b>28</b>

## 16.7. Number of applications reviewed under Part 5 of the GIPA Act 2009 (by type of review and outcome)

**Table G: Number of applications reviewed under Part 5 of the GIPA Act 2009 (by type of review and outcome)**

Type of review	Decision varied	Decision upheld	Total
Internal Review	1	1	2
Review by Information Commissioner	1	0	1
Internal Review following recommendation under section 93 of the GIPA Act 2009	0	0	0
Review by the New South Wales Civil and Administrative Tribunal (NCAT)	0	0	0
<b>Total</b>	<b>2</b>	<b>1</b>	<b>3</b>

Note: More than one type of review can be undertaken in relation to a single application. In 2024-25 SIRA progressed 3 reviews across 2 separate applications.

The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.



# 16.8. Applications for review under Part 5 of the GIPA Act 2009 by type of applicant

Table H: Applications for review under Part 5 of the GIPA Act 2009 by type of applicant

Type of applicant	Number of applications for review
Applications by access applicants	2
Applications by persons to whom information the subject access applications relates (see section 54 of the Act 2009)	0
Total	2

# 16.9. Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act 2009 (by type of transfer)

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act 2009 (by type of transfer)

Type of applicant	Number of applications for review
Agency-initiated transfer	1
Applicant-initiated transfer	2
Total	3

# 17. Human resources

## 17.1. Number of SIRA staff by classification and financial year

**Table 20.a: Substantive classification**

The Public Service Senior Executive cohort excludes any employees who have been temporarily reclassified due to acting arrangements and are not substantively appointed to senior executive roles.

Classification	2023–2024	2024–2025
Administrative and clerical officers	429.5	429.7
Public Service Senior Executives ( <i>Government Sector Employment Act 2013</i> )	16.7	16.9
Statutory Officers	-	-
<b>Total</b>	<b>446.2</b>	<b>446.6</b>

Statistics are based on Workforce Profile census data as at 20 June 2024 and 19 June 2025.

**Table 20.b: Reclassified for inclusion of acting PSSE**

Public Service Senior Executive cohort includes any non-senior executive employee who has acted in a single senior executive role for 3 or more months as at census date.

Classification	2023–2024	2024–2025
Administrative and clerical officers	426.5	427.7
Public Service Senior Executives ( <i>Government Sector Employment Act 2013</i> )	19.7	18.9
Statutory Officers	-	-
<b>Total</b>	<b>446.2</b>	<b>446.6</b>

Statistics are based on Workforce Profile census data as at 20 June 2024 and 19 June 2025.

# 17.2. Number of senior executives by band and gender

**Table 21.a: Reclassified for inclusion of acting PSSE**

Public Service Senior Executive cohort includes any non-senior executive employee who has acted in a single senior executive role for 3 or more months as at census date.

Classification	2023-2024	2024-2025
Administrative and clerical officers	426.5	427.7
Public Service Senior Executives ( <i>Government Sector Employment Act 2013</i> )	19.7	18.9
Statutory Officers	-	-
Total	446.2	446.6

**Table 21.b: Reclassified for inclusion of acting PSSE**

Public Service Senior Executive cohort includes any non-senior executive employee who has acted in a single senior executive role for 3 or more months as at census date.

Band	2023-2024		2024-2025	
	Female	Male	Female	Male
Band 1 (Director)	7	9	7	9
Band 2 (Executive Director)	2	1	1	1
Band 3 (Deputy Secretary)	1	-	1	-
Total	10	10	9	10

## 17.3. Average remuneration of SIRA senior executives employed in each band

**Table 22.a: Substantive classification**

The Public Service Senior Executive cohort excludes any employees who have been temporarily reclassified due to acting arrangements and are not substantively appointed to senior executive roles.

Band	2023-2024		2024-2025	
	Salary range \$	Average remuneration \$	Salary range \$	Average remuneration \$
Band 1 (Director)	201,350-287,200	248,159	201,350-287,200	256,408
Band 2 (Executive Director)	287,201-361,300	315,272	287,201-361,300	315,810
Band 3 (Deputy Secretary)	361,301-509,250	450,000	361,301-509,250	450,000

**Note:** 7.41% of SIRA's employee related expenditure in 2024-25 was related to senior executives, compared with 8.95% in 2023-24.

**Table 22.b: Reclassified for inclusion of acting PSSE**

Public Service Senior Executive cohort includes any non-senior executive employee who has acted in a single senior executive role for 3 or more months as at census date.

Band	2023-2024		2024-2025	
	Salary range \$	Average remuneration \$	Salary range \$	Average remuneration \$
Band 1 (Director)	201,350-287,200	244,887	201,350-287,200	254,292
Band 2 (Executive Director)	287,201-361,300	315,272	287,201-361,300	315,810
Band 3 (Deputy Secretary)	361,301-509,250	450,000	361,301-509,250	450,000

**Note:** 8.06% of SIRA's employee related expenditure in 2024-25 was related to senior executives, compared with 9.99% in 2023-24.



# Sustainability



# 18. Modern Slavery Act 2018 (NSW)

## 18.1. Our obligations

SIRA is committed to maintaining and improving systems and processes to avoid complicity in modern slavery or human rights violations related to our own operations, our supply chain, and our services.

SIRA remains committed to maintaining and improving systems and processes to avoid complicity in modern slavery or human rights violations related to our own operations, our supply chain, and our services.

SIRA is required to provide a statement of action taken by the agency in relation to any issue raised by the Anti-slavery Commissioner during the financial year concerning the agency's operations which were identified as being a significant issue. In the 2024-25 financial year, no such issues were raised with SIRA by the Commissioner.

SIRA has taken the following steps to ensure that goods and services procured by and for SIRA during the 2024-25 financial year were not the product of modern slavery within the meaning of the *Modern Slavery Act 2018 (NSW)*:

- Required tenderers to confirm compliance with the *Modern Slavery Act 2018 (NSW)* and, where applicable, outline mitigation strategies for identified risks.
- Ensured contract templates included a modern slavery clause aligned with legislative requirements.
- Adopted the DCS Procurement Risk Assessment Template to identify procurements at high risk of modern slavery.
- Tracked heightened modern slavery risk procurements through the DCS Contracts Register.
- Continued to build staff capability by promoting and monitoring completion of the Anti-slavery Commissioner's training modules as they became available.

## 18.2. Work health and safety

SIRA is committed to the health and safety of all workers through the implementation of a health and safety management system that prevents injuries and ill-health while supporting and promoting health and wellbeing.

SIRA recognises that achieving a healthy and safe workplace relies on a prevention-based approach, where all employees take responsibility in identifying, investigating and controlling work-related hazards, risks and incidents.

Through a shared services arrangement, DCS provides SIRA's work health and safety function. Information about how DCS complies with the *Work Health and Safety Act 2011* (WHS Act 2011) can be found in their annual report.

## 18.3. Workers compensation

In 2024-25, 10 workers compensation claims were lodged by SIRA employees, which is an increase from the previous financial year. The reportable claims had a net incurred cost of \$1,107,661.83.

SIRA remains committed to facilitating recovery at work for all injured employees in accordance with NSW workers compensation legislation, guidelines, and obligations.

## 18.4. Mechanism of injury

The mechanism of injury under the WHS Act 2011 involves categorising how injuries or diseases occur in the workplace. This helps record where and how injuries happen, and what causes them. This information is used to improve safety and prevent future injuries.

In the 2024-25 financial year, there were 4 psychological claims and 6 physical claims. Of the psychological claims, 2 were attributed to work pressure and 2 to work related harassment or bullying. Among the physical claims, 3 were from repetitive movement, 1 from muscular stress while handling objects, 1 from a fall from height and 1 from a fall on the same level.

## 18.5. Prosecutions

There were zero prosecutions in 2024-25 for health and safety breaches.

# 19. Diversity and Inclusion at SIRA

## 19.1. Disability Inclusion Action Plan

SIRA's dedication to workforce diversity is reflected in its strategic initiatives, including participation in the design of the next DCS Disability Inclusion Action Plan (DIAP) which will be in place by mid 2026, following the launch of the new NSW Disability Inclusion Plan. The 2020-25 plan highlights the importance of disability inclusion, with a focus on making facilities accessible, providing effective workplace adjustments, and ensuring communication methods are inclusive.

## 19.2. Employee Resource Groups (ERGs)

ERGs serve as subject matter experts, providing advice to the Department of Customer Service and helping to ensure SIRA is an inclusive employer and supportive of the diverse NSW community. The ERGs are also available for support and guidance to staff members with questions or concerns.

In 2024-25, SIRA staff were directly represented on 6 ERGs across DCS:

- Ability ERG
- Aboriginal ERG
- Generations ERG
- Parents ERG
- Pride ERG
- Regional ERG
- Regional.

SIRA is also represented in DEN Connect, the cross-sector Disability Employee Network, and participates in sector-wide inclusion events.

## 19.3. Workforce diversity achievements

SIRA has elevated diversity in our SIRA 2028 strategy, with a strategic goal to build a positive work culture that celebrates diversity.

Achievements in 2024-25 include:

- embedding diversity and inclusion by design in our people, culture and governance initiatives
- making cultural awareness training Everyone's Business (online modules) available to all SIRA staff with a completion rate of 90%
- bronze level membership and participation in round table events with the Australian Network on Disability
- participation in DCS membership of the Diversity Council of Australia
- incorporating document accessibility guidelines into all SIRA templates and branding
- an active Diversity & Inclusion Champions group.

## 19.4. Trends in the representation of workforce diversity groups

**Table 23: Trends in the representation of workforce diversity groups**

Workplace Diversity Group	Benchmark/ Target	2022-23	2023-24	2024-25
Women	50.0%	68.5%	67.4%	67.0%
Aboriginal People and/or Torres Strait Islander People	3.3%	0.9%	1.4%	1.2%
People whose first language spoken as a child was not English	23.2%	24.9%	26.7%	26.3%
People with disability	5.6%	6.1%	5.8%	7.7%
People with disability requiring work-related adjustments	N/A	2.0%	2.4%	3.3%

Statistics are based on Workforce Profile census data as at 22 June 2023, 20 June 2024 and 19 June 2025.

Notes on the statistics above:

1. The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.
2. The NSW Public Sector Aboriginal Employment Strategy 2019–2025 takes a career pathway approach in that it sets an ambitious target of 3% Aboriginal employment at each non-executive grade of the public sector by 2025.
3. A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language, but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.
4. In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027.

More information can be found at: [Jobs for People with Disability: A plan for the NSW public sector](#). The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.

## 19.5. Trends in the distribution of workforce diversity groups

**Table 24: Trends in the distribution of workforce diversity groups**

Workplace Diversity Group	Benchmark/ Target	2022-23	2023-24	2024-25
Women	100	95	95	96
Aboriginal People and/or Torres Strait Islander People	100	N/A	N/A	N/A
People whose first language spoken as a child was not English	100	99	101	97
People with a disability	100	102	103	101
People with a disability requiring work-related adjustments	100	N/A	N/A	N/A

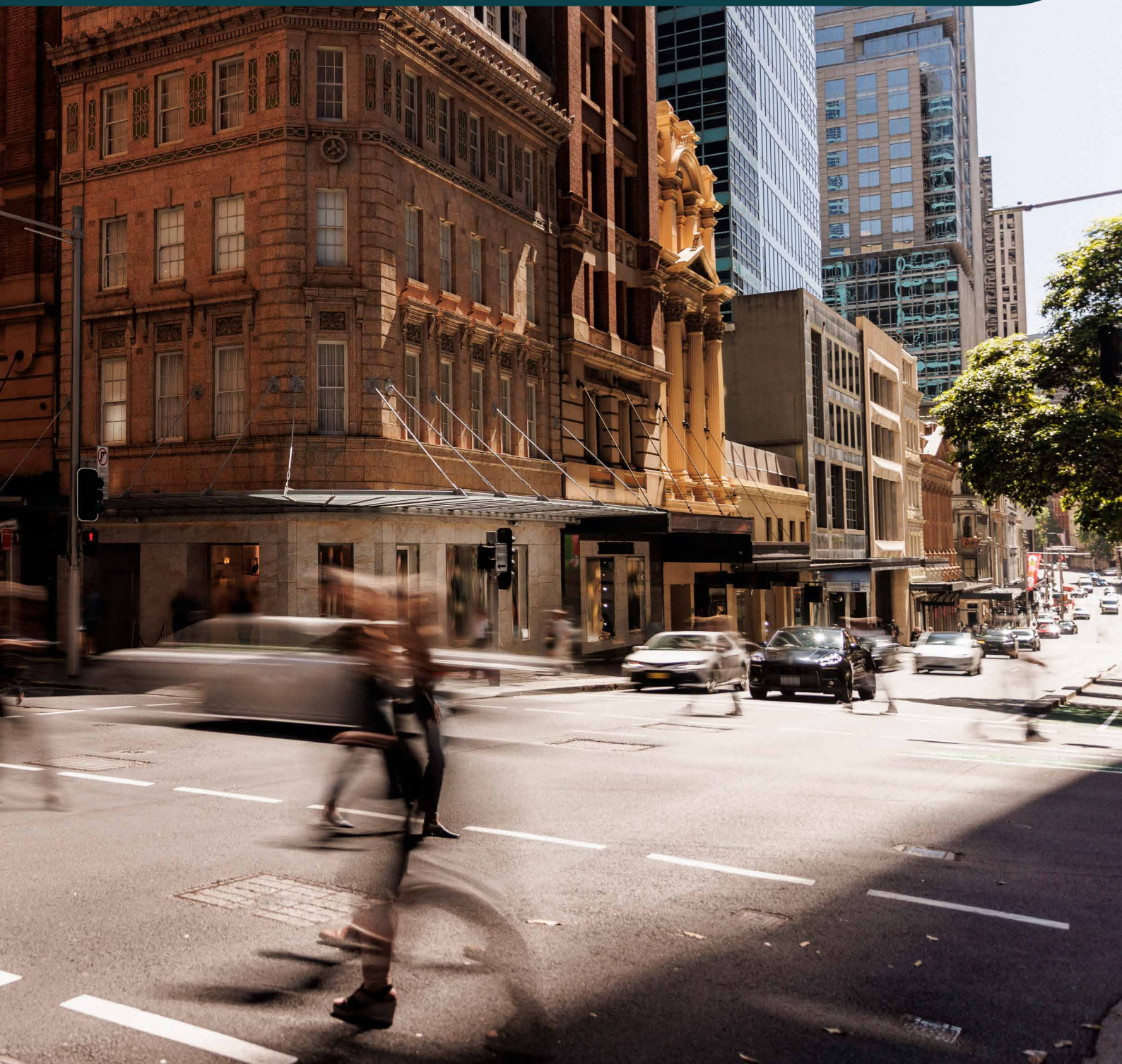
Statistics are based on Workforce Profile census data as at 22 June 2023, 20 June 2024 and 19 June 2025.

Notes on the statistics above:

1. A Distribution Index score of 100 indicates that the distribution of members of the Workforce Diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the Workforce Diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the Workforce Diversity group tend to be more concentrated at higher salary bands than is the case for other staff.
2. The Distribution Index is not calculated when the number of employees in the Workforce Diversity group is less than 20 or when the number of other employees is less than 20.



# 20. Financial performance



## 20.1. Independent auditor's report



### INDEPENDENT AUDITOR'S REPORT

State Insurance Regulatory Authority

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of the State Insurance Regulatory Authority (the Authority), which comprise the Statement by the Chief Executive, the Statement of Comprehensive Income for the year ended 30 June 2025, the Statement of Financial Position as at 30 June 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- present fairly the Authority's financial position, financial performance and cash flows

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Authority in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Chief Executive's Responsibilities for the Financial Statements

The Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Chief Executive's responsibility also includes such internal control as the Chief Executive

determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Authority carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



David Daniels  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

1 October 2025  
SYDNEY



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## 20.2. Financial statements

### Statement by the Chief Executive

Pursuant to division 7.6(4) of the Government Sector Finance Act 2018 (GSF Act), I state that these financial statements:

1. have been prepared in accordance with the Australian Accounting Standards (AAS) and the applicable requirements of the GSF Act, the Government Sector Finance Regulation 2024 and the Treasurer's directions, and
2. present fairly the State Insurance Regulatory Authority's financial position, financial performance and cash flows for the year ended 30 June 2025.

Signed

A handwritten signature in black ink, appearing to read 'Mandy Young', with a stylized flourish at the end.

Mandy Young

**Chief Executive**

State Insurance Regulatory Authority

29 September 2025



## Statement of Comprehensive Income for the year ended 30 June 2025

	Notes	Budget 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000
<b>Expenses excluding losses</b>				
Operating expenses				
Personnel services	2.1	80,595	73,627	66,709
Other operating expenses	2.2	68,369	39,382	45,292
Depreciation	2.3	23	53	33
Grants and subsidies	2.4	8,000	5,654	4,532
Finance costs	2.5	1	2,982	3,571
Other expenses	2.6	564,377	584,452	540,680
<b>Total expenses excluding losses</b>		<b>721,365</b>	<b>706,150</b>	<b>660,817</b>
<b>Revenue</b>				
Levies, retained taxes, fees and fines	3.1	627,163	532,085	455,809
Investment revenue / (losses)	3.2	6,001	25,106	19,995
Other income	3.3	1,427	86,385	173,634
<b>Total revenue</b>		<b>634,591</b>	<b>643,576</b>	<b>649,438</b>
<b>Operating result</b>		<b>(86,774)</b>	<b>(62,574)</b>	<b>(11,379)</b>
Other gains / (losses)	4	-	(4,469)	(1,543)
<b>Net result</b>		<b>(86,774)</b>	<b>(67,043)</b>	<b>(12,922)</b>
Other comprehensive income		-	-	-
<b>Total comprehensive income</b>		<b>(86,774)</b>	<b>(67,043)</b>	<b>(12,922)</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position as at 30 June 2025

	Notes	Budget 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	5	93,979	220,066	265,450
Receivables	6	63,200	98,684	105,763
Financial assets at fair value	7	197,011	209,334	204,020
<b>Total Current Assets</b>		<b>354,190</b>	<b>528,084</b>	<b>575,233</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	8	16	16	22
Right of use motor vehicle assets	8	12	107	74
Intangible assets		5,555	-	-
<b>Total Non-Current Assets</b>		<b>5,583</b>	<b>123</b>	<b>96</b>
<b>Total Assets</b>		<b>359,773</b>	<b>528,207</b>	<b>575,329</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Payables	9	20,723	144,565	134,607
Provisions	10	7,276	7,891	6,943
Other current liabilities		7	46	27
<b>Total Current Liabilities</b>		<b>28,006</b>	<b>152,502</b>	<b>141,577</b>
<b>Non-Current Liabilities</b>				
Payables	9	143,588	161,240	151,070
Provisions	10	75,012	69,563	70,751
Other Non-current liabilities		7	63	49
<b>Total Non-Current Liabilities</b>		<b>218,607</b>	<b>230,866</b>	<b>221,870</b>
<b>Total Liabilities</b>		<b>246,613</b>	<b>383,368</b>	<b>363,447</b>
<b>Net Assets</b>		<b>113,160</b>	<b>144,839</b>	<b>211,882</b>
<b>Equity</b>				
Accumulated funds		113,160	144,839	211,882
<b>Total Equity</b>		<b>113,160</b>	<b>144,839</b>	<b>211,882</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity for the year ended 30 June 2025

	Accumulated funds \$'000	Total \$'000
<b>Balance at 1 July 2024</b>	211,882	211,882
Net result for the year	(67,043)	(67,043)
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(67,043)</b>	<b>(67,043)</b>
Transactions with owners in their capacity as owners	-	-
<b>Balance at 30 June 2025</b>	<b>144,839</b>	<b>144,839</b>
<b>Balance at 1 July 2023</b>	224,804	224,804
Net result for the year	(12,922)	(12,922)
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(12,922)</b>	<b>(12,922)</b>
Transactions with owners in their capacity as owners	-	-
<b>Balance at 30 June 2024</b>	<b>211,882</b>	<b>211,882</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows for the year ended 30 June 2025

	Notes	Budget 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000
<b>Cashflows from operating activities</b>				
<i>Payments</i>				
Personnel services		(80,595)	(73,954)	(66,433)
Grants and subsidies		(8,000)	(5,654)	(4,532)
Finance Costs		(1)	-	-
Other Payments		(658,974)	(694,262)	(505,935)
<b>Total Payments</b>		<b>(747,570)</b>	<b>(773,870)</b>	<b>(576,900)</b>
<i>Receipts</i>				
Levies, retained taxes, fees and fines		628,067	570,753	460,245
Interest received		543	10,792	10,769
Other receipts		56,982	137,987	181,538
<b>Total Receipts</b>		<b>685,592</b>	<b>719,532</b>	<b>652,552</b>
<b>Net cashflows from operating activities</b>	14	<b>(61,978)</b>	<b>(54,338)</b>	<b>75,652</b>
<b>Cashflows from investing activities</b>				
Proceeds from sale of investments		9,000	9,000	6,000
Other investing		(5,555)	-	-
<b>Net cashflows from investing activities</b>		<b>3,445</b>	<b>9,000</b>	<b>6,000</b>
<b>Cashflows from financing activities</b>				
Repayment of borrowings and advances		(16)	(46)	(26)
<b>Net cashflows from financing activities</b>		<b>(16)</b>	<b>(46)</b>	<b>(26)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(58,549)</b>	<b>(45,384)</b>	<b>81,626</b>
Opening cash and cash equivalents		152,528	265,450	183,824
<b>Closing cash and cash equivalents</b>	5	<b>93,979</b>	<b>220,066</b>	<b>265,450</b>

The accompanying notes form part of these financial statements.



# Notes to the financial statements

## 1. Statement of Material Accounting Policies

### 1.1 Reporting entity

The State Insurance Regulatory Authority (the Authority) is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

These financial statements for the year ended 30 June 2025 have been authorised for issue by the Chief Executive on 29 September 2025.

### 1.2 Constitution and functions of the State Insurance Regulatory Authority

The Authority is constituted under the *State Insurance and Care Governance Act 2015* (SICG Act). The Authority has responsibility for the direction, control and management of a range of funds as outlined in Note 15. A reference in these financial statements to the Authority refers to all of those funds.

Under Part 3 of the SICG Act, the Board determines the Authority's general policies and strategic direction, oversees the Authority's performance and provides advice to the Minister.

### 1.3 Basis of preparation

The Authority's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australia Accounting Standards (AAS) which include Australian Accounting Interpretations;
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2024; and
- Treasurer's Directions issued under the GSF Act.

Property, plant and equipment and certain financial assets and liabilities are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Authority's presentation and functional currency.

### 1.4 Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### 1.5 Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

### 1.6 Changes in accounting policies, including new or revised AAS

#### 1.6.1 Effective for the first time in the 2025 financial year

The following amendments and interpretations apply for the first time in FY2024-25:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements

These standards did not have a material impact on the Authority's financial statements.

### 1.6.2 Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS unless Treasury determines otherwise. The Authority has assessed the potential impact of the new standards and interpretations issued but not yet effective and has determined they are unlikely to have a material impact on the Authority's financial statements, other than AASB 18 Presentation and Disclosure of Financial Statements, which was issued on 14 June 2024 and will replace AASB 101 Presentation of Financial Statements when first adopted for the financial year ending 30 June 2029. The impact of applying the new standard will be limited to changes to the presentation and disclosure of items in the financial statements.

## 2. Expenses excluding losses

### 2.1 Personnel services

Personnel services	2025 \$'000	2024 \$'000
Salaries and wages (including annual leave)	62,290	56,623
Long service leave	153	317
Superannuation - defined contribution plans	6,609	5,737
Workers' compensation insurance	769	471
Payroll tax and fringe benefit tax	3,779	3,448
Redundancy	27	113
<b>Total personnel services</b>	<b>73,627</b>	<b>66,709</b>

The Authority receives personnel services from the Department of Customer Service (DCS). DCS is not a Special Purpose Service Entity and does not control the Authority under this arrangement. Annual leave entitlements are not accrued as these are transferred to DCS as part of the personnel services charge.

There have been no employee related costs that have been capitalised in intangible asset accounts during the year (2024: \$nil).

### 2.2 Other operating expenses

Other operating expenses	Notes	2025 \$'000	2024 \$'000
Auditor's remuneration audit of the financial statements		189	189
Accommodation expenses		4,086	4,050
Expense relating to leases of low-value assets	2.2.1	14	14
Computer support and software licence costs		6,527	9,909
Corporate Services	2.2.2	4,161	4,301
Board and Committee fees		518	651
Consultants (Actuarial Services)		3,437	3,859
Contractors		4,942	6,373

Other operating expenses	Notes	2025 \$'000	2024 \$'000
Legal Fees		71	138
Other Fees and Charges		6,184	5,405
Communication expenses		953	732
Training		732	616
Vocational and rehabilitation programs		5,215	6,039
Insurance	2.2.3	384	291
Other miscellaneous		1,969	2,725
<b>Total other operating expenses</b>		<b>39,382</b>	<b>45,292</b>

### 2.2.1 Lease expense

The Authority recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under, when new.

Variable lease payments not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

### 2.2.2 Corporate Services

During the year, DCS provided corporate services to the Authority, including people & culture, legal, procurement, internal audit, workplace and IT services. The cost of these services is determined and calculated within the DCS Corporate Operating Model (COM). The COM allocates costs based on Full Time Equivalent (FTE) staff and/or total expenditure. FTE is determined based on direct FTE resources provided for specific services and a share of indirect FTE costs based on business unit size. Where Expenses are used as the driver, budgeted expenses is used as the allocation driver, except for Grants.

### 2.2.3 Insurance

The Authority's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

## 2.3 Depreciation

Depreciation	2025 \$'000	2024 \$'000
Office Equipment	7	7
Motor Vehicles – Right of Use	46	26
<b>Total depreciation</b>	<b>53</b>	<b>33</b>

Refer to Note 8 for recognition and measurement policies on depreciation.

## 2.4 Grants and subsidies

Grants and subsidies	2025 \$'000	2024 \$'000
Transport for NSW Road Safety Programs	2,522	2,161
Other Research Programs	3,132	2,371
<b>Total grants and subsidies</b>	<b>5,654</b>	<b>4,532</b>

A grant is recognised when the grant conditions are met by the receiving entity.

## 2.5 Finance costs

Finance costs	Notes	2025 \$'000	2024 \$'000
Interest expense – lease liabilities		5	2
IGF claims - finance cost	2.6.1	2,788	3,341
WC Court Judges pension - finance cost	2.6.2	189	228
<b>Total finance costs</b>		<b>2,982</b>	<b>3,571</b>

Finance costs, other than interest expense from lease liabilities, consists of the movement in the provision resulting from the unwinding of the discount rate in connection with the Workers Compensation (WC) Court Judges Pension and the Insurer Guarantee Fund (IGF).

## 2.6 Other expenses

Other expenses	Notes	2025 \$'000	2024 \$'000
IGF net claims incurred	2.6.1	5,669	(5,107)
WC Court Judges pensions (excluding finance costs)	2.6.2	599	(74)
Nominal Defendant Fund Claims		(33)	76
Personal Injury Commission	2.6.3	83,732	77,530
Office of Independent Review Officer	2.6.4	114,710	114,422
SafeWork NSW	2.6.5	148,940	152,680
NSW Ministry of Health	2.6.6	173,909	148,905
NSW Ambulance	2.6.7	50,854	46,637
Transport for NSW		6,072	5,611
<b>Total other expenses</b>		<b>584,452</b>	<b>540,680</b>

### 2.6.1 IGF net claims incurred

The IGF was established under Section 227 of the *Workplace Injury Management and Workers Compensation Act 1998* (WIMWC Act) and relates to workers' compensation liabilities arising from companies that have been placed into administration and have been brought into the IGF through specific legislation.

These companies are:

- HIH Insurance Group
- National Employers Mutual General Insurance Association Ltd



- Bishopsgate Insurance Australia Ltd
- Associated General Contractors Insurance Co Ltd
- The Greatlands General Insurance Company Ltd
- Rural & General Insurance Ltd.

Details of the net claims incurred by the Authority are as follows:

IGF net claims incurred	Notes	2025 \$'000	2024 \$'000
Amounts used	10.1	5,889	6,143
Movement in claims liability		(220)	(11,250)
	2.6	5,669	(5,107)
Finance costs	2.5	2,788	3,341
<b>Net claims incurred</b>		<b>8,457</b>	<b>(1,766)</b>

### 2.6.2 WC Court Judges pension

The *Compensation Court Repeal Act 2002* abolished the Compensation Court from 1 January 2004 and transferred the Court's jurisdiction to the then Workers Compensation Commission (WCC) and the funding responsibility for the pension costs of retired judges of the former Compensation Court to the Authority. The Court's jurisdiction now resides with the Personnel Injury Commission.

### 2.6.3 Personal Injury Commission (Commission)

The Personal Injury Commission was established on 1 March 2021 pursuant to the *Personal Injury Commission Act 2020* (PIC Act), as an independent statutory tribunal within the NSW justice system and replaced the Workers Compensation Commission (WCC). The WCC and the Authority's Dispute Resolution Services (DRS) were abolished from that date.

The Commission is not subject to the direction and control by the Authority; and the income and expenses reported below are therefore not included in the Authority's primary financial statements. These transactions are also not administered by the Commission on behalf of the Authority, however:

- Under Section 35 (2) (e1) of the WIMWC Act, the Authority is responsible for funding the costs associated with the establishment and operation of the Workers Compensation division of the Commission.
- Under Section 10.12 (3) (b) of the *Motor Accident Injuries Act 2017* (MAI Act), the Authority is responsible for funding the costs associated with the establishment and operation of the Motor Accidents division of the Commission.

Details of income and expenses incurred by the Commission are:

Personal Injury Commission	2025 \$'000	2024 \$'000
<b>Expenditure</b>		
Personnel services	28,524	27,804
Agency short term staff	1,269	2,201
Accommodation expenses	6,139	5,875
Payments to Service Providers	40,516	32,620
Software expenses	1,569	2,717
Other miscellaneous expenses	5,834	6,313

Personal Injury Commission	2025 \$'000	2024 \$'000
<b>Total expenditure</b>	<b>83,851</b>	<b>77,530</b>
<b>Income</b>		
Contributions (MAOF)	46,684	41,414
Contributions (WCOF)	37,048	36,116
Other Income	119	-
<b>Total income</b>	<b>83,851</b>	<b>77,530</b>
<b>Net Result</b>	<b>-</b>	<b>-</b>

#### 2.6.4 Office of Independent Review Officer (IRO)

The IRO was established on 1 March 2021 pursuant to the PIC Act, as an independent statutory office and replaced the Workers Compensation Independent Review Office (WIRO).

The IRO is not subject to the direction and control by the Authority; and the income and expenses reported below are therefore not included in the Authority's primary financial statements. These transactions are also not administered by IRO on behalf of the Authority, however:

- Under Section 35 (2) (c) of the WIMWC Act, the Authority is responsible for funding the remuneration of the IRO and costs incurred in connection with the exercise of the functions of the IRO arising under the Workers Compensation Acts.
- Under Section 10.12 (3) (b1) of the MAI Act, the Authority is responsible for funding the remuneration of the IRO, staff of the IRO and costs incurred in connection with the exercise of the functions of the IRO arising under the MAI Act.

Details of income and expenses incurred by the IRO are:

Office of Independent Review Officer expenses	2025 \$'000	2024 \$'000
<b>Expenditure</b>		
Employee related expenses	11,865	11,578
Agency short term staff	862	577
Accommodation expenses	972	917
Consultants	172	226
Independent Legal Assistance and Review Service (ILARS)	98,466	98,575
Other miscellaneous expenses	2,690	2,810
<b>Total expenditure</b>	<b>115,027</b>	<b>114,683</b>
<b>Income</b>		
Contributions (MAOF)	663	722
Contributions (WCOF)	114,047	113,700
Acceptance by the Crown of employee benefits and other liabilities	317	261
<b>Total income</b>	<b>115,027</b>	<b>114,683</b>

Office of Independent Review Officer expenses	2025 \$'000	2024 \$'000
<b>Net Result</b>	-	-

### 2.6.5 SafeWork NSW

The SICG Act established SafeWork NSW, a division within the Department of Customer Service, as an independent workplace safety regulator.

SafeWork NSW is not subject to the direction and control by the Authority; and the income and expenses reported below are therefore not included in the Authority's primary financial statements. These transactions are also not administered by Safework on behalf of the Authority, however under Section 35 (2)(b) of the WIMWC Act, the Authority is responsible for funding the remuneration, allowances, office accommodation and other associated costs of SafeWork NSW.

Details of expenses incurred by SafeWork NSW are:

SafeWork NSW expenses	2025 \$'000	2024 \$'000
<b>Expenditure</b>		
Employee related expenses	122,543	107,379
Agency short term staff	252	25
Accommodation	6,369	6,966
Fees – Shared Services	11,193	22,259
Fees – Other	14,076	12,816
Advertising	2,682	1,327
Grants and Subsidies	4,042	4,521
Other operating expenses	24,352	36,526
Depreciation and amortisation	3,412	2,967
<b>Total expenses</b>	<b>188,921</b>	<b>194,786</b>
<b>Income</b>		
Levies, retained taxes, fees and fines	26,418	28,470
Sale of goods and services	5,700	8,385
Contributions (WCOF)	148,940	152,680
Acceptance by the Crown of employee benefits and other liabilities	4,052	1,704
Other revenue	5,198	3,105
<b>Total income</b>	<b>190,308</b>	<b>194,344</b>
Gain/(loss) on disposal	(23)	-
Other gains / (losses)	(360)	(621)
<b>Net Result</b>	<b>(1,004)</b>	<b>1,063</b>

### 2.6.6 NSW Ministry of Health

In accordance with Division 10.3 of the MAI Act, the Authority has entered into a bulk billing arrangement with the NSW Ministry of Health to provide funding for specific expenses incurred in connection with the treatment and care of injured persons at hospital.

### 2.6.7 NSW Ambulance

In accordance with Division 10.3 of the MAI Act, the Authority has entered into a bulk billing arrangement with the NSW Ambulance to provide funding for specific expenses incurred in conveying injured persons by ambulance.

## 3. Revenue

Income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers (AASB 15) or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15.

### 3.1 Levies, retained taxes, fees and fines

Levies, retained taxes, fees and fines	Notes	2025 \$'000	2024 \$'000
<b>Levies and retained taxes</b>			
WCOF Contribution	3.1.1	283,267	290,998
Self and specialised insurers	3.1.2	66,620	60,197
MAOF Fund Levy	3.1.3	165,636	92,733
HBOF Contribution	3.1.4	6,292	5,433
<b>Total levies and retained taxes</b>		<b>521,815</b>	<b>449,361</b>
<b>Fees</b>			
Accreditation		40	36
Other		5	4
<b>Total fees</b>		<b>45</b>	<b>40</b>
<b>Fines</b>			
Workers compensation s156 recoveries	3.1.5	9,785	5,940
Infringement notices		440	468
<b>Total fines</b>		<b>10,225</b>	<b>6,408</b>
<b>Total levies, retained taxes, fees and fines</b>		<b>532,085</b>	<b>455,809</b>

#### 3.1.1 Workers Compensation Operational Fund (WCOF) Contribution

Contributions are made from the Workers Compensation Insurance Fund to the WCOF, in accordance with Section 35 (1)(a1) of the WIMWC Act, having regard to the estimate of the Authority's net operating expenses. Refer Note 15 for further details on the WCOF.

#### 3.1.2 Self and specialised insurers

Contributions are made to the WCOF, in accordance with Section 35 (1)(a) of the WIMWC Act, by licensed self and specialised insurers on the basis of a levy on specialised insurer premium income and self-insurers deemed premiums relating to each policy renewal year. Refer Note 15 for further details on the WCOF.



### 3.1.3 Motor Accidents Operational Fund (MAOF) Levy (MAOF Fund Levy)

Funds are generated from levies on Compulsory Third Party (CTP) insurance premiums collected by licensed insurers in accordance with Section 10.17 of the MAI Act. CTP levy revenue is recognised when it falls due and is receivable by the Authority. Refer Note 15 for further details on the MAOF

### 3.1.4 Home Building Operational Fund (HBOF) Contribution

Contributions are made to the HBOF in accordance with Section 12A(3) (d2) of the *NSW Self Insurance Corporation Act 2004* for the Home Building Compensation regulatory functions of the Authority. Refer Note 15 for further details on the HBOF

### 3.1.5 Workers Compensation s.156 recoveries

Double Avoided Premiums fines are issued by the Authority under Section 156 of the WC Act. The Authority recognises the s156 Recoveries upon issuing of a notice. Recovery of these notices are factored into the revised Expected Credit Loss (ECL) calculation as disclosed in Note 16.

## 3.2 Investment revenue / (losses)

Investment revenue (loss)	Notes	2025 \$'000	2024 \$'000
Interest income	3.2.1	10,792	10,769
Net gain in TCorp IGF Investment Trust	3.2.2	14,314	9,226
<b>Total investment revenue / (loss)</b>		<b>25,106</b>	<b>19,995</b>

### 3.2.1 Interest income

Interest income is calculated by applying the effective interest method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

### 3.2.2 Net gain in TCorp IGF Investment Trust

Net gains on the TCorp Investment Fund are measured at fair value through profit or loss; and comprise movements in unit prices, and the acquisition and reinvestment of Trust distributions in the period.

The TCorp IGF Investment Trust is managed, and its performance was evaluated on a fair value basis. Under AASB 9 *Financial Instruments* (AASB 9), such a business model requires it to be measured at fair value through profit or loss.

### 3.3 Other income

Other income	Notes	2025 \$'000	2024 \$'000
NDF Contributions	3.3.1	(455)	(330)
IGF Contributions	3.3.2	(4,846)	(9,781)
CTP TEPL	3.3.3	90,480	183,120
Other income		1,206	625
<b>Total other income</b>		<b>86,385</b>	<b>173,634</b>

#### 3.3.1 NDF Contribution

Under a 2013 Crown Solicitor opinion the Nominal Defendant Fund (NDF) retains all recoveries from reinsurers, of the former HIH group that relate to NSW Third Party Insurance claims. Amounts distributed by the liquidators of HIH as part of the liquidation are the property of NSW Treasury ('The Crown in right of the State of New South Wales').

Any surplus for the year is not available to the Authority and will potentially be required to pay future claims. As such where a surplus is achieved a negative contribution is taken up to recognise that these surpluses are not available to the Authority for use other than as required under the legislation. Any surplus will also increase the amount payable as shown in Note 9.

If the NDF has insufficient funds to meet claims liabilities, then NSW Treasury will provide funds through the Policyholders Protection Fund. Refer to Note 15 for details of balances.

#### 3.3.2 IGF Contribution

The IGF was established on 1 May 1990 as a consequence of National Employers' Mutual General Insurance Association Limited being placed into provisional liquidation. Contributions from insurers and distributions by the liquidators are applied to meet the claim costs and administrative expenses of the IGF.

Any surplus for the year is not available to the Authority and will potentially be required to pay future claims. As such where a surplus is achieved a negative contribution is taken up to recognise that these surpluses are not available to the Authority for use other than as required under the legislation. Any surplus will also increase the amount payable as shown in Note 9.

The IGF also meets the cost of the run-off of remaining claims liabilities of the HIH Insurance Group, the Greatlands General Insurance Co Ltd, Bishopsgate Insurance Australia Ltd, Associated General Contractors Insurance Co Ltd, and Rural & General Insurance Limited.

#### 3.3.3 Transitional Excess Profits and Losses Recovery (TEPL)

The 2017 CTP reforms introduced regulatory powers for the Authority to control the level of insurer profits under the TEPL mechanism. The TEPL mechanism enables the Authority to analyse insurer profits retrospectively and take action where industry profits fall outside the 3% - 10% range.

The TEPL Guidelines are made under Schedule 4, clause 2(4) of the MAI Act and apply during the transition period. The TEPL Guidelines set out the methodology for the determination of transitional excess profit or transitional excess loss.

In October 2024, the Authority activated the TEPL regulatory mechanism to recoup \$90.5m in excess profit from the 2018 and 2019 Accident Years from insurers, via monthly invoices over a one-year period commencing 15 January 2025. This income is recognised in accordance with the requirements of AASB 1058 *Income of Not-for-Profit Entities*. This is on the basis it is considered to be non-contractual income arising from statutory requirements within the scope of AASB 1058. The income is recognised at the date of determination, being the point of communication of a binding determination to insurers.

The Authority will continue to monitor the Preliminary Industry Profit Margin and take action in the event the Preliminary Industry Profit Margin is outside the range of the Excess Loss and Excess profit Thresholds.

#### 4. Other Gains / (Losses)

Other gains / (losses)	2025 \$'000	2024 \$'000
Impairment losses on non-financial assets	(4,469)	(1,543)
<b>Total other gains/(losses)</b>	<b>(4,469)</b>	<b>(1,543)</b>

Impairment losses may arise on non-financial assets held by the Authority from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting policies and events giving rise to impairment losses are disclosed in the following notes:

- Trade receivables – Note 6
- Property, plant and equipment – Note 8.

#### 5. Current Assets – Cash and Cash Equivalents

Cash and cash equivalents	2025 \$'000	2024 \$'000
Cash at bank and on hand	220,066	265,450
<b>Total cash and cash equivalents</b>	<b>220,066</b>	<b>265,450</b>

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand and short-term deposits with original maturities of 3 months or less and subject to an insignificant risk of changes in value.

Reconciliation	2025 \$'000	2024 \$'000
Cash and cash equivalent assets (per Statement of financial position)	220,066	265,450
Closing cash and cash equivalents (per Statement of cash flows)	220,066	265,450

Refer to Note 16 for further information regarding credit risk and market risk arising from financial instruments.

## 6. Current Assets – Receivables

Receivables	2025 \$'000	2024 \$'000
Receivables	10,482	7,530
Less allowance for expected credit loss*	(2,864)	(2,177)
Prepayments	247	241
TEPL receivable	45,240	91,560
CTP premium levy receivable	23,154	8,609
Funded agencies receivable	22,425	-
<b>Total Receivables</b>	<b>98,684</b>	<b>105,763</b>
<b>*Movement in the allowance for expected credit losses</b>		
Balance at the beginning of the year	(2,177)	(2,737)
Amounts written off during the year	3,782	2,103
(Increase)/decrease in allowance recognised in net results	(4,469)	(1,543)
<b>Balance at the end of the year</b>	<b>(2,864)</b>	<b>(2,177)</b>

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in Note 16.

### 6.1 Recognition and measurement

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 6.2 Subsequent measurement

The Authority holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

### 6.3 Impairment

The Authority recognises an allowance for Expected Credit Losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows that the Authority expects to receive, discounted at the original effective interest rate.

For trade receivables, the Authority applies a simplified approach in calculating ECLs. The Authority recognises a loss allowance based on lifetime ECLs at each reporting date. The Authority has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.



## 7. Current Assets - Financial assets at fair value

Financial assets at fair value	2025 \$'000	2024 \$'000
TCorp IGF Investment Trust	209,334	204,020
<b>Total financial assets at fair value</b>	<b>209,334</b>	<b>204,020</b>

Refer to Note 16 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments.

### 7.1 Classification and measurement

The TCorp IGF Investment Trust is managed and its performance is evaluated on a fair value basis and therefore the business model is neither to hold nor to collect contractual cash flows or sell the financial asset. Hence these investments are mandatorily required to be measured at fair value through profit or loss. The net gain or loss on the TCorp IGF Investment Trust is presented in 'investment revenue' in the period in which it arises.

## 8. Property, Plant and Equipment and Right of Use Assets

Current reporting period	Office equipment \$'000	Computer Hardware \$'000	Total Property, Plant and Equipment \$'000	Right of Use Motor Vehicles \$'000
<b>At 1 July 2024 – fair value</b>				
Gross carrying amount	34	-	34	100
Accumulated depreciation and impairment	(12)	-	(12)	(26)
<b>Net carrying amount</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>74</b>
<b>At 30 June 2025 – fair value</b>				
Gross carrying amount	34	-	34	182
Accumulated depreciation and impairment	(18)	-	(18)	(75)
<b>Net carrying amount at end of year</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>107</b>

A reconciliation of the carrying amount of each class of plant and equipment; and right of use assets at the beginning and end of the reporting period is set out below:

Reconciliation	Office equipment \$'000	Computer Hardware \$'000	Total Property, Plant and Equipment \$'000	Right of Use Motor Vehicles \$'000
<b>Year ended 30 June 2025</b>				
Net carrying amount at beginning of year	22	-	22	74
Additions	-	-	-	79
Depreciation expense	(6)	-	(6)	(46)
<b>Net carrying amount at end of year</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>107</b>

Previous reporting period	Office equipment \$'000	Computer Hardware \$'000	Total Property, Plant and Equipment \$'000	Right of Use Motor Vehicles \$'000
<b>At 1 July 2023 – fair value</b>				
Gross carrying amount	34	-	34	79
Accumulated depreciation and impairment	(5)	-	(5)	(28)
<b>Net carrying amount</b>	<b>29</b>	<b>-</b>	<b>29</b>	<b>51</b>
<b>At 30 June 2024 – fair value</b>				
Gross carrying amount	34	-	34	100
Accumulated depreciation and impairment	(12)	-	(12)	(26)
<b>Net carrying amount at end of year</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>74</b>

A reconciliation of the carrying amount of each class of plant and equipment; and right of use assets at the beginning and end of the reporting period is set out below:

Reconciliation	Office equipment \$'000	Computer Hardware \$'000	Total Property, Plant and Equipment \$'000	Right of Use Motor Vehicles \$'000
<b>Year ended 30 June 2024</b>				
Net carrying amount at beginning of year	29	-	29	51
Additions	-	-	-	49
Depreciation expense	(7)	-	(7)	(26)
<b>Net carrying amount at end of year</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>74</b>

### 8.1 Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

### 8.2 Capitalisation thresholds

Property, plant and equipment costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

### 8.3 Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

All material identifiable components of assets are depreciated separately over their useful lives and the rates applied are:

Depreciation rates	2025	2024
Office machines and equipment	20%	20%
Computer hardware	20% – 100%	20% – 100%

### 8.4 Revaluation of property, plant and equipment

All of the Authority's assets are non-specialised assets with short useful lives which are measured at depreciated historical cost, which for these assets approximates fair value. The Authority has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

## 9. Current/non-current liabilities – payables

Payables	2025 \$'000	2024 \$'000
<b>Current payables</b>		
Accrued personnel services	217	543
Creditors	8,547	15,157
Income received in advance	58,541	2,627
Accrued bulk billing fees	77,260	116,280
<b>Total current payables</b>	<b>144,565</b>	<b>134,607</b>
<b>Non-current payables</b>		
IGF payable	138,691	133,842
Nominal Defendant Fund (NDF) Payable	9,647	9,192
Other payables	12,902	8,036
<b>Total non-current payables</b>	<b>161,240</b>	<b>151,070</b>
<b>Total payables</b>	<b>305,805</b>	<b>285,677</b>

The Authority receives personnel services from the DCS. DCS is not a Special Purpose Service Entity and does not control the Authority under this arrangement. In accordance with NSW Treasury Circular 15/07 “Financial and Annual Reporting Requirements Arising from Personnel Service Arrangements”, a liability representing the total amount payable to DCS is recognised in the Statement of Financial Position for all personnel service costs including unpaid payments owing to DCS for their acceptance of personnel’s leave entitlements.

As the Authority is not an employer, the disclosure requirements of AASB 119 *Employee Benefits* in respect of employee benefits do not apply. Details regarding liquidity risk including a maturity analysis of the above payables are disclosed in Note 16.

## 9.1 Recognition and measurement

Payables represent liabilities for goods and services provided to the Authority and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

## 10. Current/non-current liabilities – provisions

Provisions	2025 \$'000	2024 \$'000
<b>Current provisions</b>		
IGF - HIH Insurance Co. Ltd	2,144	1,079
IGF - Other non - HIH	4,764	4,810
Nominal Defendant Fund	-	76
Compensation Court Judges pension	983	978
<b>Total current provisions</b>	<b>7,891</b>	<b>6,943</b>
<b>Non-current provisions</b>		
IGF - HIH Insurance Co. Ltd	18,360	18,589
IGF - Other non - HIH	46,949	47,721
Compensation Court Judges pension	4,254	4,441
<b>Total non-current provisions</b>	<b>69,563</b>	<b>70,751</b>
<b>Total Provisions</b>	<b>77,454</b>	<b>77,694</b>

## 10.1 Recognition and measurement

Provisions are recognised when:

- the entity has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources will be required to settle the obligation;
- and a reliable estimate can be made of the amount of the obligation.

When the Authority expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the



reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

If the effect of the time value of money is material, provisions are discounted at percentages disclosed in notes 10.2 and 10.3, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e. unwinding of discount rate) is recognised as a finance cost.

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

Provision movements	Judges pension \$'000	NDF \$'000	IGF \$'000	Total \$'000
Carrying amount at 1 July 2024	5,419	76	72,199	77,694
Changes in experience and actuarial assumptions	492	(33)	3,119	3,578
Amounts used	(970)	(43)	(5,889)	(6,902)
Unwinding of discount rate	296	-	2,788	3,084
<b>Carrying amount at end of period</b>	<b>5,237</b>	<b>-</b>	<b>72,217</b>	<b>77,454</b>

## 10.2 Compensation Court Judges pensions

The key economic assumptions used in the valuation of the Compensation Court Judges Pension are:

Economic assumptions	2025	2024
Discount rate	3.77%	4.31%
Future salary growth	2.50%	2.50%

## 10.3 Insurers' Guarantee Fund (IGF)

The weighted average expected term to settlement for the reporting date of the outstanding claims for each scheme is:

Average settlement term	2025	2024
Insurers' Guarantee Fund	8.8 years	9.7 years

The average inflation and discount rates used in measuring the liability for outstanding claims expected to be paid is:

Average inflation and discount rate	2025	2024
<b>Inflation rate</b>		
• Paid not later than one year	3.25%	3.40%
• Paid later than one year	3.11% - 3.65%	3.00% - 3.66%
<b>Discount rate</b>		
• Paid not later than one year	3.63%	4.02%
• Paid later than one year	3.82% - 5.71%	3.95% - 5.21%

The provision for outstanding claims is actuarially determined under AASB 137 Provisions, Contingent Liabilities and Contingent Assets. It is measured as the best estimate of future expected payments required to settle the present obligation at the reporting date. The expected future payments are estimated on the ultimate cost of settling claims, which is affected by factors arising during the period of settlement such as normal inflation and “super imposed inflation”. Super imposed inflation refers to factors such as trends in court awards, for example, and increases in the level and period of compensation of injury.

The liability for claims includes:

- Claims incurred but not yet paid
- Claims incurred but not reported (IBNR)

There is inherent uncertainty in any estimate of outstanding claims liabilities that limits its accuracy. The areas of uncertainty associated with the outstanding claims liability in these financial statements arise from the following:

- The actual model and method may not exactly match the claims process.
- Past claim fluctuations may create uncertainty in the estimated model parameters.
- Undetected errors in the data may result in errors in the model parameters.
- Future economic and environmental conditions may be different to those assumed.
- Future claims fluctuations result in uncertainty of the projected liability, even if the model and its parameters were perfect.
- The estimate of IBNR is generally subject to a greater degree of uncertainty than reported claims.

#### 10.4 Sensitivity Analysis

To provide some indication of the uncertainty inherent in estimates of the outstanding claims liabilities for the IGF, an illustrative sensitivity analysis has been prepared which quantifies estimates of these liabilities under some plausible alternative scenarios.

Results of that illustrative sensitivity analysis are shown in the table below on a net, inflated and discounted basis.

Scenario	Net ID liability		
	Amount \$'000	Change \$'000	%
Base Scenario	72,217		
<b>Economic and Other Assumptions</b>			
Inflation +1% (a)	78,715	6,499	9.0%
Inflation -1% (a)	66,573	(5,643)	(7.8%)
Discount +1% (a)	66,603	(5,614)	(7.8%)
Discount -1% (a)	78,786	6,570	9.1%
CHE +10% (b)	76,636	4,420	6.1%
CHE -10% (b)	67,797	(4,420)	(6.1%)
GST recoveries +0.5%	71,849	(368)	(0.5%)
GST recoveries -0.5%	72,584	368	0.5%

(a) Adding/subtracting 1% to each future assumed inflation or discount rate

(b) Adding/subtracting 10% of liability estimate excluding expenses to the selected Non-HIH Claims Handling Expenses assumption only. The net HIH Claims Handling Expense has been assumed to be nil due to the agreement in place with EML Insurance

Scenario	Net ID liability		
	Amount \$'000	Change \$'000	%
<b>Dust Disease Claims</b>			
• Increase seed report assumptions for 2025 by 20%	82,670	10,453	14.5%
• Decrease seed report assumptions for 2025 by 20%	61,764	(10,453)	(14.5%)
• Increase average claim size assumptions by 30%	87,896	15,679	21.7%
• Decrease average claim size assumptions by 30%	56,537	(15,679)	(21.7%)
• Superimposed inflation +1%	78,364	6,147	8.5%
• Superimposed inflation -1%	66,913	(5,304)	(7.3%)
<b>Non-Dust Disease Claims</b>			
• Increase five-year deafness payment to \$8,548 for current and IBNR deafness claims	72,731	514	0.7%
• Reduce average age assumption for IBNR deafness claims to 65	72,696	479	0.7%
• Increase the IBNR assumption for permanent impairment awards (deafness) by 100%	72,405	189	0.3%
• Increase the annual payment assumption for annuitants by 10%	72,934	717	1.0%
• Decrease the annual payment assumption for annuitants by 10%	71,499	(717)	(1.0%)
• Increase the IBNR assumption for RGIL claims by 100%	72,254	37	0.1%

While the sensitivity examples shown in this section are considered to be reasonable alternative scenarios, they do not represent upper or lower bounds of the estimate of future claims liability.

## 11. Self-insurers and specialised insurers security deposits and bank guarantees

Under sections 182 and 213-215B of the *Workers Compensation Act 1987* (WC Act), the Authority administers security deposits and bank guarantees lodged by self-insurers and specialised insurers.

As the Authority performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Authority's own objectives, these funds are not recognised in the financial statements.

As at 30 June 2025, the Authority held deposits and bank guarantees to the value of \$2,106m (2024: \$1,940m). These deposits and guarantees are held for the payment of all accrued, continuing, future and contingent claims liabilities of self-insurers and specialised insurers under the WC Act which are not otherwise satisfied.

Money deposited with the Authority for this purpose is invested in authorised securities, which are issued or guaranteed by State or Commonwealth governments. The interest on such investments is paid to each self-insurer and specialised insurer.

A separate bank account for lodgement of cash deposits has been established and the balance of the account as at 30 June 2025 was \$35.0m (2024: \$53.2m). A reconciliation of the movement in deposits and bank guarantees held by the Authority follows:

Reconciliation	2025 \$m	2024 \$m
Balance at beginning of period	1,940	1,750
Deposits and guarantees lodged	810	732
Deposits and guarantees returned	(644)	(542)
<b>Balance at end of period</b>	<b>2,106</b>	<b>1,940</b>

## 12. Contingent Liabilities and Contingent Assets

The Authority does not have any known contingent liabilities or assets at 30 June 2025 (2024: Nil).

## 13. Budget review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget are not reflected in the budgeted amount. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Statement of Comprehensive Income:

The net result deficit of \$67.043m is favourable to the budgeted deficit of \$86.774m by \$19.731m as a result of an increase in investment revenue combined with a reduction in operating expenditure.

Statement of Financial Position:

Current Assets are higher than budget due to funds provided to Safework and the Commission during the year that were not used and will be returned to the Authority along with higher CTP Levy receipts accrued at June 2025. Current Liabilities are higher due to the WCOF contributions not used across SIRA, Safework and the Commission that will be returned to Icare. Cash levels are

higher than budget due to outstanding motor accident bulk billing hospital and ambulance services yet to be invoiced.

#### Statement of Cashflows:

The net decrease in cashflows was lower than budget due to the total CTP related receipts (TEPL and CTP levies) being higher than the budget for CTP Levies. The Authority does not budget for TEPL receipts separately. The budget also includes an annual provision of \$5.555m for capital expenditure that has not been spent during the current or prior financial year.

### 14. Reconciliation of cash flows from operating activities to net result

A reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income is as follows:

Reconciliation	2025 \$'000	2024 \$'000
Net cash used on operating activities	(54,338)	75,652
Depreciation and amortisation expense	(53)	(33)
Bad Debts Written Off	3,781	2,103
Allowance for Impairment	(4,468)	(1,543)
Net gain / (loss) on investments	14,315	9,225
Decrease / (increase) in provisions	240	9,094
Increase / (decrease) in prepayments and other assets	(6,392)	(1,093)
Decrease / (increase) in payables and other liabilities	(20,128)	(106,327)
<b>Net result</b>	<b>(67,043)</b>	<b>(12,922)</b>

#### Non-Cash Investing Activities

Non-cash additions to investments during the year amounted to \$7.987m (2024: \$Nil) which were financed by distribution income declared.

### 15. Restricted assets

The Authority has direction and management responsibilities for a number of funds. These funds are mutually exclusive. For this reason these funds are viewed as being “restricted” and the assets and liabilities in each fund cannot be utilised by the Authority for any purpose other than that specified in the legislation that created these funds.

Details of the operations of these funds are disclosed in the financial statements below.

These funds are:

#### 15.1 Workers Compensation Operational Fund (WCOF)

The WCOF was established under section 34 of the *Workplace Injury Management and Workers Compensation Act 1998* and is funded from contributions by insurers and self-insurers. Under Section 35, the WCOF is responsible for the Authority’s operating expenses in relation to its Workers Compensation regulatory functions as well as payments to SafeWork NSW, the Commission and IRO.



## **15.2 Insurers' Guarantee Fund (IGF)**

Under Division 7 of the *Workers Compensation Act 1987*, the IGF was established to assume responsibility for the claims costs and administrative expenses of the liquidated insurers, including: National Employers' Mutual General Insurance Association Limited, HIH Insurance Group, the Greatlands General Insurance Co Ltd, Bishopsgate Insurance Australia Ltd, Associated General Contractors Insurance Co Ltd and Rural & General Insurance Limited.

## **15.3 Home Building Operational Fund (HBOF)**

The HBOF was established under section 103EF of the *Home Building Act 1989* (HB Act) and is funded from contributions by the licenced insurer. Under Section 103EF the HBOF is responsible for the Authority's operating expenses in relation to its home building insurance regulatory functions.

## **15.4 Motor Accidents Operational Fund (MAOF)**

The MAOF was established under Section 212 of the *Motor Accidents Compensation Act 1999* (MAC Act) and is funded from levies on CTP premiums.

Under Section 212(3) the MAOF is responsible for the Authority's operating expenses in relation to its Motor Accidents regulatory functions as well as expenses incurred by the Commission, the IRO, Transport for NSW, Ministry of Health and Ambulance Service of NSW.

## **15.5 Nominal Defendant Fund (NDF)**

Under the MAC Act and the MAI Act, the Authority is the Nominal Defendant and has established the NDF to assume responsibility for CTP claims from policies issued by insolvent insurers. Under Section 2.38 of the MAI Act claims costs and administrative expenses are to be paid from the Fund.

## **15.6 Terrorism Re-insurance Fund**

Section 239AE of the WC Act provides for the establishment of a Terrorism Re-insurance Fund. The fund has not been established as at the reporting date.

## **15.7 Home Building Insurer Guarantee Fund**

Section 1030A of the HB Act provides for the establishment of a Home Building Insurer Guarantee Fund. The fund has not been established as at the reporting date.

## 15.8 Statement of comprehensive income for the year ending 30 June 2025

	WCOF		HBOF		MAOF		IGF		NDF		TOTAL	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Expenses including losses</b>												
Operating expenses												
Personnel services	37,646	32,796	4,711	4,065	31,037	29,552	233	296	-	-	73,627	66,709
Other operating expenses	19,785	23,106	1,813	1,548	16,921	19,633	863	998	-	7	39,382	45,292
Depreciation and amortisation	51	31	-	-	-	-	2	2	-	-	53	33
Grants and subsidies	1,214	860	-	-	4,440	3,672	-	-	-	-	5,654	4,532
Finance costs	194	230	-	-	-	-	2,788	3,341	-	-	2,982	3,571
Other expenses	300,634	302,422	-	-	278,182	243,289	5,669	(5,107)	(33)	76	584,452	540,680
<b>Total expenses excluding losses</b>	<b>359,524</b>	<b>359,445</b>	<b>6,524</b>	<b>5,613</b>	<b>330,580</b>	<b>296,146</b>	<b>9,555</b>	<b>(470)</b>	<b>(33)</b>	<b>83</b>	<b>706,150</b>	<b>660,817</b>
<b>Revenue</b>												
Levies, retained taxes, fees & fines	360,158	357,643	6,292	5,433	165,635	92,733	-	-	-	-	532,085	455,809
Investment revenue	2,842	2,839	232	180	7,209	7,252	14,401	9,311	422	413	25,106	19,995
Other revenue	993	506	-	-	90,693	183,239	(4,846)	(9,781)	(455)	(330)	86,385	173,634
<b>Total revenue</b>	<b>363,993</b>	<b>360,988</b>	<b>6,524</b>	<b>5,613</b>	<b>263,537</b>	<b>283,224</b>	<b>9,555</b>	<b>(470)</b>	<b>(33)</b>	<b>83</b>	<b>643,576</b>	<b>649,438</b>
<b>Operating Result</b>	<b>4,469</b>	<b>1,543</b>	<b>-</b>	<b>-</b>	<b>(67,043)</b>	<b>(12,922)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62,574)</b>	<b>(11,379)</b>
Other gains/(losses)	(4,469)	(1,543)	-	-	-	-	-	-	-	-	(4,469)	(1,543)
<b>Net result</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(67,043)</b>	<b>(12,922)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(67,043)</b>	<b>(12,922)</b>

## 15.9 Statement of financial position as at 30 June 2025

	WCOF		HBOF		MAOF		IGF		NDF		TOTAL	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Assets</b>												
<b>Current assets</b>												
Cash and cash equivalents	83,850	57,798	1,633	1,876	123,977	194,875	959	1,632	9,647	9,269	220,066	265,450
Receivables	26,837	2,235	79	77	70,974	102,910	794	541	-	-	98,684	105,763
Financial assets at fair value	-	-	-	-	-	-	209,334	204,020	-	-	209,334	204,020
<b>Total current assets</b>	<b>110,687</b>	<b>60,033</b>	<b>1,712</b>	<b>1,953</b>	<b>194,951</b>	<b>297,785</b>	<b>211,087</b>	<b>206,193</b>	<b>9,647</b>	<b>9,269</b>	<b>528,084</b>	<b>575,233</b>
<b>Non-current assets</b>												
Property, plant and equipment	13	17	-	-	-	-	3	5	-	-	16	22
Right of use motor vehicle assets	107	74	-	-	-	-	-	-	-	-	107	74
<b>Total non-current assets</b>	<b>120</b>	<b>91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>96</b>
<b>Total assets</b>	<b>110,807</b>	<b>60,124</b>	<b>1,712</b>	<b>1,953</b>	<b>194,951</b>	<b>297,785</b>	<b>211,090</b>	<b>206,198</b>	<b>9,647</b>	<b>9,269</b>	<b>528,207</b>	<b>575,329</b>
<b>Liabilities</b>												
<b>Current liabilities</b>												
Payables	63,437	14,571	1,517	1,758	79,429	118,121	182	157	-	-	144,565	134,607
Provisions & Other CL	1,029	1,005	-	-	-	-	6,908	5,889	-	76	7,937	6,970
<b>Total current liabilities</b>	<b>64,466</b>	<b>15,576</b>	<b>1,517</b>	<b>1,758</b>	<b>79,429</b>	<b>118,121</b>	<b>7,090</b>	<b>6,046</b>	<b>-</b>	<b>76</b>	<b>152,502</b>	<b>141,577</b>
<b>Non-current liabilities</b>												
Payables	5,695	3,729	-	-	7,207	4,306	138,691	133,842	9,647	9,193	161,240	151,070
Provisions & Other NCL	4,317	4,490	-	-	-	-	65,309	66,310	-	-	69,626	70,800
<b>Total non-current liabilities</b>	<b>10,012</b>	<b>8,219</b>	<b>-</b>	<b>-</b>	<b>7,207</b>	<b>4,306</b>	<b>204,000</b>	<b>200,152</b>	<b>9,647</b>	<b>9,193</b>	<b>230,866</b>	<b>221,870</b>
<b>Total liabilities</b>	<b>74,478</b>	<b>23,795</b>	<b>1,517</b>	<b>1,758</b>	<b>86,636</b>	<b>122,427</b>	<b>211,090</b>	<b>206,198</b>	<b>9,647</b>	<b>9,269</b>	<b>383,368</b>	<b>363,447</b>
<b>Net assets</b>	<b>36,329</b>	<b>36,329</b>	<b>195</b>	<b>195</b>	<b>108,315</b>	<b>175,358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144,839</b>	<b>211,882</b>
<b>Equity</b>												
Accumulated funds	36,329	36,329	195	195	108,315	175,358	-	-	-	-	144,839	211,882
<b>Total equity</b>	<b>36,329</b>	<b>36,329</b>	<b>195</b>	<b>195</b>	<b>108,315</b>	<b>175,358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144,839</b>	<b>211,882</b>

## 15.10 Statement of cash flows for the period ending 30 June 2025

	WCOF		HBOF		MAOF		IGF		NDF		TOTAL	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Cashflows from Operating Activities</b>												
<b>Payments</b>												
Personnel services	(37,847)	(32,695)	(4,719)	(4,039)	(31,154)	(29,405)	(234)	(294)	-	-	(73,954)	(66,433)
Grants and subsidies	(1,214)	(860)	-	-	(4,440)	(3,672)	-	-	-	-	(5,654)	(4,532)
Other	(352,260)	(338,336)	(1,820)	(2,609)	(330,612)	(158,551)	(9,527)	(6,433)	(43)	(6)	(694,262)	(505,935)
<b>Total payments</b>	<b>(391,321)</b>	<b>(371,891)</b>	<b>(6,539)</b>	<b>(6,648)</b>	<b>(366,206)</b>	<b>(191,628)</b>	<b>(9,761)</b>	<b>(6,727)</b>	<b>(43)</b>	<b>(6)</b>	<b>(773,870)</b>	<b>(576,900)</b>
<b>Receipts</b>												
Levies, retained taxes, fees and fines	413,585	358,841	6,064	7,118	151,104	94,286	-	-	-	-	570,753	460,245
Interest received	2,841	2,839	232	180	7,210	7,253	88	85	421	412	10,792	10,769
Other	993	506	-	-	136,994	181,032	-	-	-	-	137,987	181,538
<b>Total receipts</b>	<b>417,419</b>	<b>362,186</b>	<b>6,296</b>	<b>7,298</b>	<b>295,308</b>	<b>282,571</b>	<b>88</b>	<b>85</b>	<b>421</b>	<b>412</b>	<b>719,532</b>	<b>652,552</b>
<b>Net Cashflows from Operating Activities</b>	<b>26,098</b>	<b>(9,705)</b>	<b>(243)</b>	<b>650</b>	<b>(70,898)</b>	<b>90,943</b>	<b>(9,673)</b>	<b>(6,642)</b>	<b>378</b>	<b>406</b>	<b>(54,338)</b>	<b>75,652</b>
<b>Cashflows from Investing Activities</b>												
Proceeds/(Purchases) of property, plant, and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from the sale of investments	-	-	-	-	-	-	9,000	6,000	-	-	9,000	6,000
<b>Net Cashflows from Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,000</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>9,000</b>	<b>6,000</b>
<b>Cashflows from Financing Activities</b>												
Repayment of borrowings and advances	(46)	(26)	-	-	-	-	-	-	-	-	(46)	(26)
<b>Net Cashflows from Financing Activities</b>	<b>(46)</b>	<b>(26)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46)</b>	<b>(26)</b>
Net Increase/(decrease) in cash and cash equivalents	<b>26,052</b>	<b>(9,731)</b>	<b>(243)</b>	<b>650</b>	<b>(70,898)</b>	<b>90,943</b>	<b>(673)</b>	<b>(642)</b>	<b>378</b>	<b>406</b>	<b>(45,384)</b>	<b>81,626</b>
<b>Opening cash and cash equivalents</b>	<b>57,798</b>	<b>67,529</b>	<b>1,876</b>	<b>1,226</b>	<b>194,875</b>	<b>103,932</b>	<b>1,632</b>	<b>2,274</b>	<b>9,269</b>	<b>8,863</b>	<b>265,450</b>	<b>183,824</b>
<b>Closing cash and cash equivalents</b>	<b>83,850</b>	<b>57,798</b>	<b>1,633</b>	<b>1,876</b>	<b>123,977</b>	<b>194,875</b>	<b>959</b>	<b>1,632</b>	<b>9,647</b>	<b>9,269</b>	<b>220,066</b>	<b>265,450</b>

## 16. Financial instruments

The Authority's principal financial instruments are outlined below. These financial instruments arise directly from the Authority's operations or are required to finance the Authority's operations. The Authority does not enter into or trade financial instruments, including derivative instruments, for speculative purposes.

The Authority's main risks arising from financial instruments are outlined below, together with the Authority's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Authority's Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Authority to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee on a continuous basis.

### 16.1 Financial instrument categories

Class	Notes	Category	Carrying amount 2025 \$'000	Carrying amount 2024 \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	5	Amortised cost	220,066	265,450
Receivables <sup>1</sup>	6	Amortised cost	19	-
Financial assets at fair value	7	At fair value through profit or loss	209,334	204,020
<b>Financial liabilities</b>				
Payables <sup>2</sup>	9	Financial liabilities measured at amortised cost	85,867	123,346

**Notes:**

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

The Authority determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

### 16.2 Financial risks

#### 16.2.1 Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Authority.

The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of the Authority, including cash, receivables and other authority deposits. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Credit risk associated with the Authority's financial assets, other than receivables, is managed through a selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW Treasury Corporation (TCorp) are guaranteed by the State.



The Authority considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Authority may also consider a financial asset to be in default when internal or external information indicates that the Authority is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Authority.

Based on the Authority's assessment of the impact of natural disasters (including COVID-19) on the receivables and other assets in the balance sheet, there was no impact.

### 16.2.2 Cash and cash equivalents

Cash comprises cash on hand, balances held at private financial institutions, term deposits with a maturity of less than 3 months and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

The TCorp IGF Investment Trust fund is discussed in market risk below.

### 16.2.3 Accounting policy for impairment of trade receivables

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Authority applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Trade receivables are reviewed annually with business and is written off where there is a no reasonable expectation of recovery.

The ECL for trade receivables is determined as follows:

	Current	< 30 days	30 – 60 days	61 – 90 days	> 91 days	Total
<b>30 June 2025</b>						
Expected credit loss rate	11%	21%	27%	33%	38%	29%
Estimated total gross carrying amount (\$'000)	1,385	1,659	1,696	32	4,991	9,763
<b>Expected credit loss</b>	<b>149</b>	<b>351</b>	<b>462</b>	<b>11</b>	<b>1,891</b>	<b>2,864</b>
<b>30 June 2024</b>						
Expected credit loss rate	10%	19%	26%	33%	38%	31%
Estimated total gross carrying amount (\$'000)	749	508	1,540	483	3,781	7,061
<b>Expected credit loss</b>	<b>74</b>	<b>99</b>	<b>399</b>	<b>160</b>	<b>1,445</b>	<b>2,177</b>

Note – the table excludes prepayments as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the sum of the receivables total in Note 6.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2025 and 30 June 2024.

### 16.2.4 Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

During the current and prior year, there were no defaults of borrowings. No assets have been pledged as collateral. The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular NSWTC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice is received.

For small business suppliers, where payment is not made within the specified time period, simple interest must be paid, automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Chief Executive or their nominated delegate may automatically pay the supplier simple interest. There was no interest paid in respect of late payment of accounts during the year ended 30 June 2025 (2024: \$nil).

Based on the Authority's assessment of the impact of natural disasters (including COVID-19) on financial liabilities, there was no change to the underlying terms and conditions.

#### Maturity analysis and interest rate exposure of financial liabilities

The table below summarises the maturity profile of the Authority's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

			Interest rate exposure			Maturity dates		
	Weighted average effective interest rate	Nominal amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000	< 1 year \$'000	1-5 years \$'000	> 5 years \$'000
2025: Payables	N/A	85,867	-	-	85,867	85,867	-	-
2024: Payables	N/A	123,346	-	-	123,346	123,346	-	-

#### 16.2.5 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority's exposure to market risk is primarily through interest rate risk on cash and cash equivalents and other price risks associated with the movement in the unit price of the TCorp IGF Investment Trust. The Authority has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variance is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is performed on risk exposures in existence at the Statement of Financial Position reporting date. The analysis is performed on the same basis as for 2024. The analysis assumes that all other variables remain constant.

#### 16.2.6 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Authority's interest-bearing liabilities. The Authority does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other

comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the past five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

Interest rate sensitivity	2025 \$'000		2024 \$'000	
	-1%	+1%	-1%	+1%
Financial Assets: Cash and cash equivalents	220,066		265,450	
Net Result	(2,201)	2,201	(2,655)	2,655
Equity	(2,201)	2,201	(2,655)	2,655

### 16.2.7 Other price risk – TCorp IGF Investment Trust

Exposure to 'other price risk' primarily arises through the investment in the TCorp IGF Investment Trust which are held for strategic rather than trading purposes. The Authority has no direct equity investments. The Authority holds the following:

Fund	Investment sectors	Investment horizon	2025 \$'000	2024 \$'000
IGF Investment Trust	Multi asset class	7 years and over	209,334	204,020

TCorp is trustee for the TCorp IGF Investment Trust and is required to act in the best interest of the Authority and to administer the TCorp IGF Investment Trust in accordance with the trust deed. As trustee, TCorp has appointed external managers to manage the performance and risks of each fund in accordance with a mandate agreed by the parties. A significant portion of the administration of the Trust is outsourced to an external custodian.

Investments in the TCorp IGF Investment Trust limits the Authority's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

TCorp provides sensitivity analysis information using historically based volatility information collected over a ten-year period, quoted at two standard deviations (i.e. 95% probability). The TCorp IGF Investment Trust is measured at fair value through profit or loss and therefore any change in unit valuation impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit valuation (as advised by TCorp) multiplied by the redemption value as at 30 June each year for the valuation (balance from TCorp IGF Investment Trust statement).

	Change in valuation	Impact on profit or loss	
	2025/2024 %	2025 \$'000	2024 \$'000
IGF Investment Trust	+/- 10	20,933	20,402

## 16.3 Fair value measurement

### 16.3.1 Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

### 16.3.2 Fair value recognised in the Statement of Financial Position

Management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Authority categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that the Authority can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair value hierarchy	2025 \$'000	2024 \$'000
<b>IGF Investment Trust</b>		
• Level 1	-	-
• Level 2	209,334	204,020
• Level 3	-	-
<b>Total fair value</b>	<b>209,334</b>	<b>204,020</b>

There were no transfers between level 1 and 2 during the periods.

The value of the TCorp IGF Investment Trust is based on the Authority's share of the value of the underlying assets of the facility, based on the market value.

## 17. Related Party Disclosures

The Authority's key management personnel compensation is as follows:

Related party disclosure – key management personnel	2025 \$'000	2024 \$'000
Salaries	1,356	1,123
Post-employment benefits	110	173
<b>Total remuneration</b>	<b>1,466</b>	<b>1,296</b>

The Authority did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof as of 30 June 2025 (2024: Nil).

The Authority entered into transactions with other entities that are controlled/jointly controlled and/or significantly influenced by the NSW Government. These transactions in aggregate are a significant portion of the Authority's sale of goods / rendering of services / receiving of services.

The Authority's transactions with NSW Government entities are as follows:

Related party disclosure – NSW Government	2025		2024	
	\$'000	\$'000	\$'000	\$'000
	Transaction Value Income/ (Expense)	Net Receivable/ (Payable)	Transaction Value Income / (Expense)	Net Receivable/ (Payable)
Audit Office NSW	189	(110)	189	(139)
Crown Solicitor's Office	37	-	29	(7)
Department of Communities & Justice	31	-	31	-
Department of Customer Service	91,818	(4,589)	85,262	(3,864)
NSW Ambulance	50,854	(12,002)	46,637	(27,370)
NSW Ministry of Health	174,899	(63,665)	149,893	(87,929)
Transport for NSW	8,593	(1,593)	7,772	(1,676)
NSW Self Insurance Corporation	384	(731)	291	-
Multicultural NSW	-	-	1	-
Museums of History NSW	54	-	61	(5)
Ombudsman's Office	-	-	29	-

## 18. Transfer payments

The CTP levy contribution required from CTP policy holders is collected by insurers and paid to the Authority, which is made up of three separate components:

- The MAOF Fund Levy component, as determined under section 10.13 (d) of the MAI Act, which is managed and controlled by the Authority.
- The Motor Accident Injuries Treatment and Care Benefits (MAITCB) Fund component, as determined under section 10.15 (d) of the MAI Act, which is managed and controlled by the Lifetime Care and Support Authority (LTCSA), the eligible beneficiary.
- The LTCSA General Fund component, determined under section 49 of the *Motor Accidents (Lifetime Care and Support) Act 2006*, which is managed and controlled by the LTCSA, the eligible beneficiary.

The MAITCB component and LTCSA component received and transferred to the LTCSA, the eligible beneficiary during the reporting period was:

Transfer payments	2025 \$'000	2024 \$'000
MAITCB Fund Component	165,179	149,600
LTCSA General Fund Component	653,310	647,131

## 19. After Balance Date Events

The Authority is not aware of any circumstances that occurred after balance date that would render particulars included in the financial statements to be misleading.

**End of financial statements**



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#### Disclaimer

This publication may contain information that relates to the regulation of workers compensation insurance, motor accident compulsory third party (CTP) insurance and home building compensation in NSW. This publication does not represent a comprehensive statement of the law as it applies to particular problems or to individuals, or as a substitute for legal advice.

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