



icare[™]
commercial mind social heart

Insurance and Care NSW

Annual Report 2017-18

icare[™]

Insurance and Care NSW

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Delivering for the people of **NSW**





► **Koby Moore**

At icare I know I'm part of something great; together, we're revolutionising the care offered to those injured on NSW roads and at work.



icare – it's in our name

icare is a social insurer whose purpose is to protect, insure and care for the people, businesses and assets that make NSW great

While we function as an insurance organisation, we are different. As a social insurer, we offer insurance for the benefit of society, placing our customers, business partners and key stakeholders at the centre of everything we do.

We aspire to change the way people think about insurance and care, by going above and beyond what our customers expect of us. To do this, we strive to think differently, challenge our current ways of working and remain open to new opportunities that deliver better customer experiences and outcomes.

Our core activities are to protect, insure and care

We operate as a trusted risk advisor to the NSW Government, helping protect the people of NSW and prevent injuries in the first place. Hopefully you'll never need us, but if accidents do occur our role is to ensure there is sufficient support to respond to any situation. And when people are significantly injured, we provide leading care services and support to help them achieve a better quality of life – it's about our customers, not us.

Commercial mind, social heart

Governed by a Board of Directors, icare is one of the largest insurers in Australia.

At the heart of our aspiration and purpose is our DNA – commercial mind, social heart. This means we will continue to exceed our customers expectations by improving their experiences and outcomes, while ensuring that the State's insurance schemes are financially sustainable over the long term. Our DNA guides our day-to-day and strategic judgements, ensuring we consider and balance both the commercial and social elements of the decisions we make.



**COMMERCIAL MIND
SOCIAL HEART**

31 October 2018

The Hon. Dominic Perrottet MP

Treasurer
Parliament House
Macquarie Street
Sydney NSW 2000

Report on performance for the year ended 30 June 2018.

Dear Treasurer,

We are proud to submit the 2017-18 Insurance and Care NSW (icare) Annual Report for presentation to Parliament. This volume reports on the operations and performance of icare and its related entities. An additional volume with the full financial statements for the period 1 July 2017 to 30 June 2018 is also attached.

Our Annual Report 2017-18 was prepared according to the *Annual Reports (Statutory Bodies) Act 1984* and reporting requirements issued by the NSW Treasury. The financial statements contained in the Annual Report were certified by the Auditor-General.

Yours sincerely,



Michael Carapiet
Chair



John Nagle
Chief Executive Officer
and Managing Director

Our story

Changing the way people think about insurance and care; measuring our success by the lives we make a difference to

Our story began on 1 September 2015 when icare was created under the *State Insurance and Care Governance Act 2015*. Bringing together the NSW Government's insurance and care schemes into one organisation allowed us to leverage capabilities and economies of scale and, most importantly, was an opportunity to focus our service on our customers, our reason for being.

With these changes, icare became not only NSW state insurer but one of the largest general insurers in Australia, with a responsibility to serve and support the NSW community. That's why we're driving innovation and continuous improvement throughout our organisation – to ensure we deliver world-class insurance and care services to our customers across NSW.

Under the legislation, icare acts for and provides services to the Workers Compensation Nominal Insurer (Workers Insurance). icare also administers and provides services to other insurance and care schemes and the statutory bodies operating the schemes, including:

- Lifetime Care and Support Authority NSW (Lifetime Care)
- NSW Self Insurance Corporation (Insurance for NSW)
- Workers Compensation (Dust Diseases) Authority (Dust Diseases Care)
- Home Building Compensation Fund
- The Building Insurers' Guarantee Corporation (BIG Corp)
- Sporting Injuries Compensation Authority (Sporting Injuries insurance).

The people and communities we serve are diverse and wide-ranging – our workers and road users; our homeowners and builders; our service providers and government bodies. We're also proud to protect and insure the State's assets, from the Opera House and the Harbour Bridge to our public schools, roads and hospitals.

Now going into our fourth year of operation, we're passionately committed to changing people's lives for the better. By being there for them when they need us most; by delivering a fair, respectful and empathetic customer experience that's focused on the person, not the process, and by growing our community services and Foundation grants program.

Our aspiration is to create the best possible outcome for every person and organisation we serve. Read on to learn more about our year spent protecting, insuring and caring for the people, businesses and communities that make NSW great.



Message from the Chair

icare is passionate about transforming the delivery of insurance and care in NSW – making a measurable difference to provide the people of NSW with the world-class services they need, when they need us most



The 2017-18 financial year was a year of delivery for icare.

With solid foundations in place, 2017-18 saw us launch a range of new initiatives and programs across our schemes, which are outlined in this report. We have delivered the things we said we would; things like a new workers insurance claims model, a Medical Support Panel and an expanded customer liaison function all delivering meaningful improvements to our customers.

A key role of the board is to ensure our schemes are financially sustainable, now and in the longer term. This approach underpins icare's DNA: a commercial mind and a social heart.

We are pleased to report our service initiatives have been accompanied by strong financial returns aided by prudent fiscal management. Our investment returns have benefited from strong performances in equity and bond markets, global equities and favourable

“We have delivered the things we said we would.”



▲ **Michael Carapiet**
Chair

Australian dollar currency movements, while defensive asset classes remain an important aspect of our portfolio management.

With digital technology transforming many aspects of the insurance and care sector, we became smarter by leveraging intelligent digital platforms. icare's improved data and analytics capability can now provide injured workers and severely injured care participants with an enhanced level of care and support to meet their specific needs. Further improvements are planned, including real-time performance and risk feedback for employers and government agencies.

Under the NSW Treasury Corporation's administration and management, JP Morgan Investor Services now act as icare's common custodian for financial assets, delivering consolidated reporting enabling deeper data analysis. The transition of icare's assets to the new custodian became effective on 1 November 2017.

I would like to thank my fellow directors for their strong support, commitment and invaluable contribution to icare's performance and ongoing development.

The Board has undergone some change during the year, and we are delighted to welcome Christine Bartlett as a new Non-Executive Director and John Nagle as the Managing Director. John was formally appointed in July after taking on the role in an interim capacity in February 2018 and leading the workers insurance portfolio from 2015.

The many achievements of icare would not have been possible without the efforts of the entire icare staff and contractors, and on behalf of the Board, I would like to acknowledge all of their contributions.

I would also like to extend a special thanks to the Honourable Dominic Perrottet, NSW Treasurer, for his ongoing support and encouragement of icare's important work for the people and economy of NSW.

We remain on course to meet our strategic obligations and deliver robust and sustainable insurance products now and in the future.

Michael Carapiet
Chair

Message from the CEO



On 26 July I was confirmed as Chief Executive Officer and Managing Director of icare having served in an interim capacity since February 2018. I am proud to take up the position to support and lead this exciting organisation.

Since our formation in 2015 we have set out to transform the way insurance and care services are delivered within NSW. This year was the year of delivery, and big strides have been made to realise the vision set out in 2015.

The theme of this year's success has been the delivery of customer-centric solutions. We launched a new workers insurance claims model on 1 January that ensures optimal outcomes are achieved for both injured workers and their employers. The model recognises that many injuries are not complex and can be handled efficiently, allowing us to focus on supporting more complex injuries. This has been a major undertaking, and while early indicators are looking very promising, the service levels and outcomes that are available are yet to be realised.

Another key outcome has been our Medical Support Panel, which has significantly reduced treatment decision timeframes for workers from six weeks to five days and enhanced our engagement with health providers.

For our NSW Government customers, we have undertaken a significant change to improve our services, including the establishment of a new Risk Advisory and Client Engagement team.

The introduction of a streamlined application process for faster turnaround times and an expanded customer liaison function to provide more personalised support continues the transformation of our care services.

Customer-focused care means we are now listening to our customers more closely than ever. We began measuring and tracking customer feedback via a net promoter score across all service lines, which allows us to respond to issues more immediately and improve our service. Of the 160,310 surveys issued, our overall icare net promoter score has increased from 13.6 at the start of 2016-17 to 20.3 at year-end, a 6.7-point increase (49 per cent).

Our Mobile Engagement Team ensures we reach customers outside the major cities. This year the team visited 22 metro, regional and remote locations and met over 1,000 customers, increasing public awareness, knowledge and engagement with icare. In addition, our Health and Community teams ran programs to elicit community concerns and opportunities, while icare's Lung Bus has provided respiratory health monitoring examinations to 3,662 workers at 71 locations across NSW, with another 436 workers given respiratory health monitoring examinations in the Sydney CBD.

► **John Nagle**
CEO and
Managing Director



We have also continued to support the broader NSW community. Through the icare Foundation the partnerships we invest in continue to deliver positive outcomes for our customers. The Foundation's partnership with the Remarkable Accelerator Program, supporting start-ups to develop new technology to improve the lives of people with injuries and disabilities, is just one example. Our Paralympic speakers program is another, continuing its great work over more than 115 engagements with employers and workplaces across NSW.

These improvements have been delivered while providing significant savings to scheme running costs. icare has achieved a reduction of \$128 million annually inservice fees to our schemes, and we remain on track to deliver more than \$200 million in operational savings per annum. Our investment portfolios have performed their stated investment objectives and posted positive returns.

Our evolution as a social insurer continues. In the year ahead, we are focused on optimising what we have already built. We will deliver a fully enabled claims and care technology platform that will ensure injured people are looked after with the most appropriate care. This will be complemented by an advanced data and analytics capability that will enhance the experience for injured workers and severely injured care participants, ensuring the right level and type of support is provided to meet their needs.

We will develop and pilot structured programs for employers and government agencies, with performance and risk ratings providing specific information on safety to support improved injury prevention rates and implement an enhanced long-term care model for severely injured people to improve their quality of life.

icare does not operate in isolation, and we are closely linked to wider market forces. We expect to see, for example, adjustments in the NSW economy as changes in construction volumes and impacts from drought are felt. We are also closely examining changes in the workforce, including the rise of the gig economy, and we will be engaging with our customers to ensure our products meet their needs. As new technology like artificial intelligence evolves, we'll be investing in solutions that streamline our operations and benefit our customers through our continuous improvement focus.

Our achievements are the result of the determination and drive of our fantastic team. Transformational change takes courage, resilience and commitment and I am proud to lead icare and acknowledge each person for their important contribution to delivering for the people of NSW.

I would also like to thank and acknowledge the icare Board for their commitment, support and guidance in building this unique organisation, and pay credit to my predecessor, Vivek Bhatia, who has steered icare since its inception. Many of the projects highlighted in this report were started under his leadership and I thank Vivek for championing icare's bold transformation agenda.

Although we have achieved much to date, there is still much to do. It is with great excitement that we move into FY18-19 and embark on another year of delivering for our customers in this great state.

John Nagle
CEO and
Managing Director

Our governance

We are governed by a Board of Directors consisting of eight independent non-executive Directors and the Chief Executive Officer

All decisions relating to the functions of icare are made by or under the authority of the icare Board. The constitution of our Board as well as its role and functions are set out in the *State Insurance and Care Governance Act 2015* and include:

- providing the NSW Treasurer, as the responsible Minister, any information requested about the activities of icare
- keeping the NSW Treasurer informed of the general conduct of icare and any significant developments in icare's activities
- determining general policies for icare and directing the CEO in relation to icare's activities
- undertaking any other functions conferred or imposed on the Board by the *State Insurance and Care Governance Act 2015* or any other law.

The *State Insurance and Care Governance Act 2015* also allows the NSW Treasurer to give a written direction to icare if the NSW Treasurer is satisfied that it is necessary to do so in the public interest. Before giving any such direction, the NSW Treasurer must consult with the icare Board and seek its opinion as to whether the direction would not be in the best interests of icare.

If the NSW Treasurer does make a written direction, it must be published in the NSW Government Gazette, stating why the direction is in the public interest. The Board must then ensure the direction is complied with.

The NSW Treasurer gave no written directions in FY2017-18.

icare acts and provides services for a number of statutory insurance schemes

Under the *State Insurance and Care Governance Act 2015* icare acts for and provides services to the Workers Compensation Nominal Insurer (Workers Insurance).

icare also provides services to other insurance and care schemes and administers the statutory bodies operating these schemes. They are:

- the Workers Compensation (Dust Diseases) Authority (Dust Diseases Care)
- the Lifetime Care and Support Authority (Lifetime Care)
- the NSW Self Insurance Corporation (Insurance for NSW)
- Home Building Compensation Fund
- the Sporting Injuries Compensation Authority (Sporting Injuries insurance)
- the Building Insurers' Guarantee Corporation (BIG Corp).



The icare CEO is also the CEO of the above statutory bodies, all of which are governed by the Board.

icare's functions include monitoring the performance of the insurance and care schemes. icare also determines the investment strategies for the funds administered by Workers Insurance, Dust Diseases Care, Lifetime Care, and Sporting Injuries insurance, as well as the Bush Fire Fighters' Compensation Fund and the Emergency and Rescue Workers' Compensation Fund, and reports to the NSW Treasurer on the investment performance of each of these funds.

icare submits a Statement of Business Intent to the NSW Treasurer each year. The statement sets out icare's business plan for the next 12 months. The icare FY2017-18 Strategic Plan was essentially a summarised version of icare's Statement of Business Intent which provided a comprehensive yet concise summary of icare's strategy and execution plan. The icare FY2017-18 Strategic Plan was published on icare's website.

Review of the State Insurance and Care Governance Act

Part 4, s. 32 of the *State Insurance and Care Governance Act 2015* provides for the NSW Treasurer to review the Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.

The Legislative Council Standing Committee on Law and Justice conducted its first review of the *State Insurance and Care Governance Act 2015* and icare Group Executives appeared before the Committee on 7 November 2017. The Committee reported to the Parliament on 15 December 2017 on its review. The NSW Government response to the recommendations of the Committee were tabled in the Parliament on 20 June 2018.

Roles and responsibilities of the icare Board



▲ icare's Board of Directors

From top left: David Plumb, Mark Lennon, Christine Bartlett, Peeyush Gupta, Gavin Bell, Lisa McIntyre, Michael Carapiet, John Nagle, Elizabeth Carr AM.

Our Board consists of icare's CEO and eight independent Non-Executive Directors appointed by the NSW Treasurer, as the responsible Minister in line with the *State Insurance and Care Governance Act 2015*. The Board appoints the CEO, who is the only Executive Director on the Board.

Our Board has ultimate authority over icare's management and has delegated responsibility for the day-to-day operations to the CEO. The Board has delegated certain functions and responsibilities to its Committees, as well as the CEO, to assist in the oversight of the organisation and discharge of its responsibilities.

The Board's role is to govern icare rather than manage it. This includes setting the strategic direction, establishing performance targets as set out in the Statement of Business Intent and monitoring the achievement of those targets. The Directors must act in the best interests of icare at all times, as set out in the legislation.

Our Board operates according to its charter, which complements the legislation, relevant government guidelines and icare's code of conduct. The charter details the procedure for obtaining independent advice and that an annual review is undertaken to evaluate the performance of the Board and its Committees.

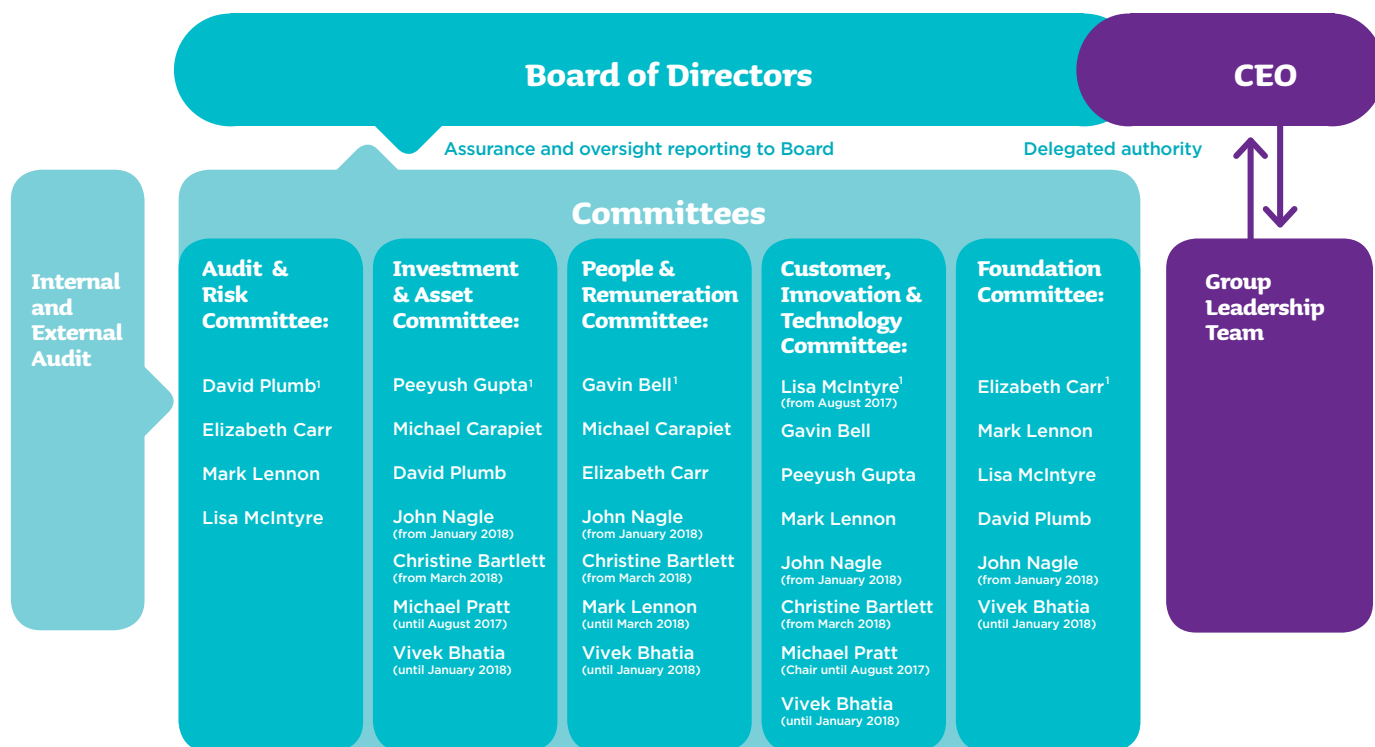
Board and Committees

Our Board has established five Committees, each chaired by a Non-Executive Director, to assist in the discharge of its duties and to better govern icare, being:

- Audit and Risk Committee
- Investment and Asset Committee
- People and Remuneration Committee
- Customer, Innovation and Technology Committee
- Foundation Committee.

Managing conflicts of interest

All of our Board Directors are subject to statutory duties and responsibilities regarding disclosure of interests. The Directors identify and disclose any matters that may give rise to a conflict of interest. A Register of Disclosures is maintained and reviewed regularly to ensure it remains up to date and that any interests that may result in conflicts (perceived or actual) are discussed at Board meetings.



1. Chair of the relevant committee.

Dust Diseases Board

As provided for in the *Workers Compensation (Dust Diseases) Act 1942*, the Dust Diseases Board has been established to carry out a specific function relating to the determination of dust disease-related grants to make a significant contribution to the prevention and treatment of dust diseases.

The Board's functions under the *Workers Compensation (Dust Diseases) Act 1942* are to make grants from the Workers Compensation Dust Diseases Fund.

The Board is authorised to make from the Fund:

- grants for the purpose of clinical or research work relating to the prevention and treatment of dust diseases or for any other purpose relating to the prevention and treatment of dust diseases
- grants for the purpose of providing assistance to groups or organisations that provide support for victims of dust diseases or their families.

For Dust Diseases Board membership, please see Appendix 12.

Our Board of Directors

Our directors have extensive experience across diverse fields that include insurance, finance, investment, healthcare, disability services, science, technology and IT

Michael Carapiet Chair

Michael was appointed Chair of the icare Board in September 2015 for a three-year term.

Michael Carapiet has 30 years' experience in banking and financial services, gained across the major financial markets of the world and has extensive governance and board experience with private and Government entities.

Michael was previously the Chair of the Safety, Return to Work and Support Board, during which the Workers Compensation Scheme returned to surplus while delivering premium rate reductions.

He is Chair of Link Administration Holdings Ltd; Smartgroup Corporation Limited; Adexum Capital Limited and the NSW Treasurer's Business Advisory Council.

Previous government roles include Chair of the SAS Trustee Corporation, the trustee entity for NSW State Super which managed over \$40 billion in investment funds. He chaired the Review of Crown Land Management in NSW and was a Board Member of Clean Energy Finance Corporation and Deputy Chairman of Export Finance Insurance Corporation.

He retired from the advisory board of Pyrolyx AG, the board of Infrastructure Australia, and the board of Australian Financial Publications Pty Ltd this financial year.

Michael held a number of senior executive roles with the Macquarie Group, which he first joined in 1985. He was a Member of Macquarie's Executive Committee from 2005. Prior to his retirement in July 2011, he was Executive Chairman of Macquarie Capital and Macquarie Securities.

Michael has a Master of Business Administration from Macquarie University.

Chair – icare Board

Member – Investment and Asset Committee

Member – People and Remuneration Committee

Gavin Bell **Deputy Chair**

Gavin was originally appointed as a Non-Executive Director in October 2015 and was appointed as Deputy Chair in February 2018 for a three-year term.

Gavin is currently a Member of the Advisory Council of the Australian School of Business and a Director of Smartgroup Corporation Ltd, Derribo Pty Ltd and IVE Group Limited.

He was also a Member of the Safety, Return to Work and Support Board and Workers' Compensation Insurance Fund Investment Board.

Prior to becoming a Non-Executive, Gavin was Global CEO of Herbert Smith Freehills. Gavin completed his law degree at the University of Sydney. He has a Master of Business Administration (Executive) degree from the Australian Graduate School of Management.

Deputy Chair – icare Board

Chair – People and Remuneration Committee

Member – Customer, Innovation and Technology Committee

Chair – Independent Advisory Panel on Prevention and Management of Workplace Bullying

Chair – Dust Diseases Board

John Nagle **CEO and Managing Director**

John was appointed as Chief Executive Officer and Managing Director in July 2018 for a three-year term after being Interim Chief Executive Officer and Managing Director since February 2018.

John has over 40 years' global experience in the insurance industry, in a number of significant executive posts at major insurance providers, including as Chief Executive of Lumley Insurance, Executive General Manager for Corporate and Specialty Insurance at Suncorp and Chief Operation Officer – Retail at Vero.

Prior to being appointed as CEO and Managing Director, John was Group Executive of Workers Insurance since the inception of icare in 2015.

John brings a wealth of private and public-sector management experience in business strategy, innovation, change, client relationship management, underwriting, reinsurance and corporate governance across the General and Commercial Insurance sectors.

Director – icare Support Solutions Pty Ltd

Member – Investment and Asset Committee

Member – People and Remuneration Committee

Member – Customer, Innovation and Technology Committee

Member – Foundation Committee

Member – NSW Asset Liability Committee (ALCO)

Christine Bartlett **Non-Executive Director**

Christine was appointed to the icare Board in February 2018 for a three-year term.

Christine is an experienced CEO and senior executive with extensive leadership and board experience. Christine's management skills were honed over 20 years at IBM in senior executive roles in Australia, the USA and Asia. She was CEO of commercial property agency Jones Lang LaSalle Australia prior to joining NAB to lead their transformation program.

She currently chairs The Smith Family, is Deputy Chair of GBST and a non-executive director of Mirvac Ltd, Sigma Healthcare, TAL and Clayton Utz. Christine chairs the TAL Risk Committee, sits on the Mirvac Risk and Audit Committee and the Sigma People and Remuneration Committee.

Member – Investment and Asset Committee
Member – People and Remuneration Committee
Member – Customer, Innovation and Technology Committee

Elizabeth Carr AM **Non-Executive Director**

Elizabeth was reappointed to the icare Board in May 2018 for a three-year term and has been a Non-Executive Director since October 2015.

Elizabeth is the Chair of the NSW Department Family and Community Services Audit and Risk Committee, Chair of the South Metropolitan College of TAFE (WA), a Member of The Environmental Protection Authority (WA) and a Member of Urban Growth Development (NSW) Committee Audit and Risk Committee.

She also holds a number of private, non-profit and education board positions including, Chair of Seton Villa Disabilities (NSW), Chair of St Catherine's Aged Care Facility (NSW), Chair of St Marys Anglican Girls School (WA), Vice-President Harvard Club of Australia and Vice-Chair of the Kokoda Track Foundation.

Elizabeth was a former Member of the Safety, Return to Work and Support Board and Workers' Compensation Insurance Fund Investment Board.

In the 2017 Queen's Birthday Honours she was recognised as a recipient of the Order of Australia (AM) 'for significant service to the community through voluntary contributions to the health, aged care, education and social services sectors.'

Elizabeth's career has included senior executive management positions in technology (IBM), finance (Macquarie Group) and government (Department of State Development WA). She has a BA (Hons) from the University of Western Australia, a Masters Degree from Harvard University and is a Fellow of the Australian Institute of Company Directors.

Chair – Foundation Committee
Member – People and Remuneration Committee
Member – Audit and Risk Committee

Peeyush Gupta **Non-Executive Director**

Peeyush was reappointed to the icare Board in February 2018 for a three-year term and has been a Non-Executive Director since October 2015.

Peeyush is a Non-Executive Director of National Australia Bank, Special Broadcasting Service (SBS) Board, Link Group, BNZ Life, Quintessence Labs and Chair of Charter Hall Long Wale Ltd and MLC Responsible Entity.

He also serves as a Trustee of Western Sydney University and is on the Dean's Advisory Committee at the Australian School of Business, UNSW. Peeyush was a Member of the Safety, Return to Work and Support Board and Workers' Compensation Insurance Fund Investment Board.

Peeyush was the co-founder and inaugural Chief Executive Officer of Ipac Securities, a pre-eminent wealth management firm spanning financial advice and institutional portfolio management.

Peeyush has a Master of Business Administration (Finance) degree from the Australian Graduate School of Management. He completed the Advanced Management Program at Harvard Business School in 2006. He is a Fellow of the Australian Institute of Company Directors.

Chair – Investment and Asset Committee
Member – Customer, Innovation and Technology Committee

Mark Lennon

Non-Executive Director

Mark was reappointed to the icare Board in May 2018 for a three-year term and has been a Non-Executive Director since October 2015.

Mark has an extensive background in work health and safety and workers compensation systems, having been a Member of the Safety, Return to Work and Support Board and the WorkCover NSW Board.

Mark is also a Director of First State Super, First State Super Financial Services Pty Ltd, Sydney Financial Forum and The McKell Institute. Mark was the Secretary of Unions NSW from October 2008 until January 2016, having served as Assistant Secretary since June 2001. Mark joined Unions NSW in 1988 and held a number of positions in the organisation including Training Officer, Industrial Officer and Executive Officer.

He is also the President and Treasurer of the Australian Labor Party NSW Branch.

Member – Customer, Innovation and Technology Committee

Member – Foundation Committee

Member – Audit and Risk Committee

Member – People and Remuneration Committee

Lisa McIntyre

Non-Executive Director

Lisa was reappointed to the icare Board in February 2018 for a three-year term and has been a Non-Executive Director since October 2015.

Lisa is an experienced company director with a broad portfolio that spans healthcare, insurance, technology and e-learning sectors in Australia and overseas.

She has been a full-time company director and chair for the past seven years.

Prior to this, Lisa spent 20 years as a senior strategy partner providing strategic, commercial and operational advice to local and multinational companies in North America, Asia and Australia.

Lisa has been a Director of HCF Group, Australia's largest member-based private health insurance company, since 2011 and is Chair of the HCF Research Foundation. Lisa is also the Chair of Silex Systems Ltd, a Fellow of the University of Sydney Senate, and a Member of the LEK Advisory Board, and the Corporate Governance Committee of the Australian Institute of Company Directors. She also recently became a member of the Advisory Board for the NSW Generations Fund.

Chair – Customer, Innovation and Technology Committee

Member – Foundation Committee

Member – Audit and Risk Committee

David Plumb

Non-Executive Director

David was reappointed to the icare Board in May 2018 for a three-year term and has been a Non-Executive Director since October 2015.

David has over 30 years' experience in the financial services industry, as a director, executive and advisor primarily within the wealth management, asset management and insurance sectors.

David was previously Chair of the NSW Self Insurance Corporation Advisory Board. Since 2011 he has been a Non-Executive Director with BT Financial Group, one of Australia's largest wealth management businesses, and in 2015 he was appointed as Chair of the superannuation entities. He chairs the Compliance Committee for Blackrock Investment Management and is Chair of Allianz Retire+.

David has a Bachelor of Commerce from the University of NSW, a Masters in Economics from Macquarie University and is a Fellow of the Institute of Chartered Accountants.

Chair – Audit and Risk Committee

Member – Foundation Committee

Member – Investment and Asset Committee

Acknowledgments

We would like to acknowledge the valuable contribution of the following former members of the Board:

Michael Pratt (Deputy Chair)

Vivek Bhatia (CEO and Managing Director).

Our group leadership team

A team of passionate, skilled and experienced leaders

Our Group Leadership Team has wide-ranging strategic, financial, people engagement, risk and governance, and information technology experience across the insurance and care sectors. The CEO has allocated operational, financial and people functions and responsibilities through icare's delegation framework.

John Nagle **Chief Executive Officer**

John is a senior insurance executive with a wealth of private and public-sector management experience.

Leading Workers Insurance, John helped transform the scheme into a customer-centric insurance business, with improved efficiencies and a far more empathetic approach to service delivery. John embodies our DNA of commercial mind and social heart.

John has been Group Executive, Workers Insurance since icare's inception in 2015 and was appointed Chief Executive Officer in July 2018 following an interim appointment in February 2018.

Dr Nick Allsop **Chief Actuary**

Nick is a qualified actuary and management professional with more than 18 years' corporate and consulting experience. Having built and led teams of actuaries and financial analysts, Nick brings to icare a proven ability to transform and integrate analytics teams into business operations.

Prior roles include General Manager Actuarial and Analytics at Allianz Australia and actuarial consulting roles at Ernst & Young, PwC and AON. He is a Fellow of the Actuarial Institutes in Australia and the UK.

Rob Craig **Chief Operating Officer**

Rob leads the organisation's Strategy and Enablement Team which includes Business Technology, Customer Channels, Communications and Stakeholder Engagement, Strategy and Transformation, Portfolio Optimisation, Human Resources and Facilities.

Bringing to icare a wealth of knowledge gained in senior positions in the financial services industry, Rob is an advocate for creative problem solving, out-of-the-box thinking and improving the customer experience.

Working internationally and in Australia, Rob has successfully implemented transformations in complex environments, with expertise encompassing strategic development, transformation programs, technology integration, and business product and process enhancement.

Don Ferguson **Group Executive Integrated Care**

Don is responsible for improving services to all icare customers who require long-term support following a motor accident or workplace incident. Don also leads our Customer and Community teams and has interim responsibility for icare Prevention and Underwriting.

With over 25 years' experience in health and disability, Don's strengths in leadership, service development and change management have been gained in executive positions across health and disability services. Don currently co-chairs the Sargood Centre.

Steve Hunt **Group Executive Self Insurance Transformation**

After 17 years' service with the NSW government, Steve announced his retirement in May 2017. At the helm of icare's journey, Steve was responsible for creating both the NSW Self Insurance Corporation and the Home Building Compensation Fund (HBCF). Transitioning from his role as icare Group Executive, Self Insurance in June 2017, Mr Hunt focused on icare's Self Insurance Transformation until his retirement in July 2018.

Sara Kahlau **General Manager Transformation**

Sara is an intrapreneurial leader who drives innovation through insights, with a background in strategy consulting. She has industry experience across general and life insurance, asset management, manufacturing and transport, with a focus on growth strategies, customer-centricity and organisational efficiency.

Catherine Morgan **General Counsel and Company Secretary**

Catherine has more than 25 years' experience as a senior lawyer specialising in administrative and commercial law, government law, personal injury law and in regulatory and legislative reform.

Catherine is also Company Secretary to the icare Board and its committees.

Gavin Pearce **Chief Risk Officer**

Gavin takes a people-centred approach to his role as Chief Risk Officer, working with the business to implement a fit-for-purpose risk management and governance framework.

A senior insurance executive and qualified actuary, Gavin joined icare after eight years at New Zealand's Accident Compensation Corporation, his last role being Chief Actuary.

Gavin's strengths are in designing, building and implementing robust risk management frameworks across insurance and broader commercial communities, with expertise in prudent risk management.

Tim Plant **Group Executive Insurance for NSW**

Tim's 25 years of insurance and reinsurance experience helped transform icare into a world-class insurance and care organisation. Tim was instrumental in delivering more person-centred and empathetic services to our customers, through his adoption and implementation of innovative solutions in healthcare, machine learning and artificial intelligence.

Blazenka Skender **Chief People Officer**

Blazenka is a senior human resource executive with over 20 years' experience in insurance, financial services, telecommunications and government. Prior to her current role, Blazenka was icare's General Manager, People Engagement Partnering, developing strategic solutions to guide icare's transformation strategy.

Blazenka has a solid track record driving business performance with strategic solutions that align people-centred customer and employee experiences. Her leadership experience in Australia and internationally encompasses human resource management, talent acquisition, change management, remuneration, culture, wellbeing, inclusion and diversity.

Elizabeth Uehling **Group Executive, Workers Insurance**

Responsible for improving customer experience and support for NSW's workers and employers, Beth brings over 15 years' experience in the insurance and finance sectors, leading strategy and operations for some of Australia's largest general insurance and workers compensation organisations.

Most recently, Beth has led the development of the new customer-focused service model which underpins icare's recent transformation.

Terese Wood **Interim Chief Financial Officer**

With extensive financial services experience particularly insurance operations, Terese's strong commercial acumen drove icare's finance operations. With a keen focus on customer outcomes, accountability, people and process. Terese's achievements included improvements in people engagement, customer metrics, profitability and efficiency.

Acknowledgements

We would like to acknowledge members of our Group Leadership team who departed this financial year, including:

- Vivek Bhatia, Chief Executive Officer
1 September 2015 – 31 January 2018
- Greg Barnier, Chief People Officer
4 December 2015 – 13 December 2017
- Megan Hancock, Chief Financial Officer
4 December 2015 – 2 March 2018.



Our strategy

Bold aspirations with a focused plan

care's business transformation and consolidation of the last two years is delivering results driven by our business DNA: commercial mind; social heart. We remain committed to delivering world-class people-focused experiences because we want to change the way people think about insurance and care. We want the community to have fewer injuries, better return-to-work outcomes and greater independence for the critically injured. We want to provide our Government agency partners with peace of mind through stable risk management to ensure reduced losses for the NSW government. For our employers and businesses of NSW – the backbone of the economy – we want to provide surety that their assets are protected and their workers supported.

Delivering on the 2017-18 strategy

Our 2017-18 strategy built on the progress and strong foundations that we set when we started our journey in September 2015. Another remarkable year of transformation has seen peaks and highlights, many of which are outlined in this report.

We delivered on our commitment to improve the customer experience through re-engineering our policy and billing services. We improved the way our customers interact with us with a new claims management service, better application processes and access to faster decision-making. We simplified the way we work by building new partnerships with providers across our schemes and continued to consolidate our investments to prevent injuries and return people to work and life.

Our strategy for 2018-19

As icare transforms and the needs of our customers and the external environment change we continue to refine and focus our organisational strategy.

Our 2018-19 strategic plan concentrates our efforts on initiatives that will help us realise our vision with further enhancements to our customer experience, leveraging technology and data to drive greater operational efficiencies in our schemes.

In the new financial year we are collectively focused on:

- partnering for safe and healthy workplaces
- offering propositions that deliver value
- protecting NSW Government assets
- supporting sustainable return to work
- ensuring optimal care.

Our strategy is backed by 'enablers': the means to achieve our objectives. We are enabled by our organisation's culture and people, our use of data and analytics, our approach to partnering, our technology backbone and our community partnerships.

These priorities and our focus on measuring our progress ensure we continue to strive towards delivering world-class services. We remain committed to our challenging transformation and delivering our full technology and customer experience. We are confident that our strategy continues to set the bar.

Find out more about icare's strategy at www.icare.nsw.gov.au



Purpose

Our purpose is to protect, insure and care for the people, businesses and assets that make NSW great.

Vision

Our vision is to change the way people think about insurance and care by providing world-class services to people, businesses and communities.

← Our purpose & vision

Person-centric experiences

We treat the people and employers of NSW with respect, empathy and fairness.

Optimal outcomes for our customers

We deliver optimal outcomes for the people, businesses and assets of NSW.

Financially sustainable schemes

We meet our commitments to our people, today and in the future.

← 3 target outcomes

Partnering for safe and healthy workplaces

We engage proactively with employers to identify and address opportunities to mitigate worker injury and create safe work environments.

Offering propositions that deliver value

We offer targeted customer propositions that are priced for risk, delivered through a seamless omni-channel experience.

Protecting NSW government assets

We are the trusted risk advisor to the NSW Government, providing valued advice and solutions directly to its agencies and departments.

Supporting sustainable return to work

We leverage person-centred smart pathways to get the right treatment to the right person at the right time, enabling sustained recovery and return to work.

Ensuring optimal care

We empower participants with greater control and independence, providing tailored care solutions through a single care model based on injury and lifestyle needs.

← 5 customer pillars

Organisation culture and people

We empower our people to lead and sustain the evolution of our organisation.

← 5 enablers

Data and analytics

We have a sophisticated understanding of our customers and our business, enabling enhanced decision-making and continuous performance optimisation.

Partner management

We have a robust and coordinated partnering approach and we proactively manage partner performance in delivering outcomes for our customers.

Technology

We have a centralised technology backbone that enables a seamless customer experience and efficient and effective operations.

Community partnership

We create societal value by engaging, collaborating with and empowering our community to address the social issues that make a meaningful difference to the people of NSW.



Our customers

Our vision is to change the way people think about insurance and care by providing world class services to the people, businesses and communities of NSW

Who we serve

Employers

icare insures the employees of some 310,000 NSW businesses and 193 NSW Government agencies. Long-term sustainable investments on behalf of employers ensure that employees' safety and wellbeing is protected and means specialised support can be provided in the event of injury or illness. This is our DNA: Commercial mind, social heart.

Workers

We protect around 90 per cent of public and private-sector workers in NSW – that's approximately four million people. Our people-focused care helps injured workers recover and return to work as quickly and sustainably as possible.

Road users

We're there for the road users of NSW: the drivers, passengers, pedestrians and cyclists severely injured on our roads each year. We provide treatment, rehabilitation and personalised care for the more than 1,300 people severely injured because of motor vehicle accidents each year.

Employees with a work-related dust disease

We compensate and support workers who have developed a dust disease from occupational exposure in NSW. We currently support over 4,500 workers and their dependents by providing personalised care and comprehensive support over the long term.

Home owners and builders

When unforeseen circumstances strike and NSW homeowners are left with incomplete or defective works done by a builder or tradesperson, icare is there to help get defects rectified and homes completed. icare also works with builders to help them understand the risks that could affect their businesses and employees and to help manage their finances.

NSW Government assets and agencies

icare is a trusted risk advisor to the NSW Government, protecting over \$184 billion of the state's most iconic assets, including the Sydney Opera House and the Sydney Harbour Bridge, as well as schools and hospitals. We also insure government infrastructure against loss during construction: projects like the building of roads, rail and dams. Our risk solutions, insurance cover and trusted advice back this state.



Lake Hume dam and spillway, NSW

Delivering for our care customers

This year we've delivered a range of new initiatives to improve the customer experience for our care customers from Lifetime Care, Workers Care and Dust Diseases Care.

The formation of icare was an opportunity to leverage strengths across our seven schemes. Under this model, people who are severely injured on the road or at work, or who develop a work-related dust disease, are supported to achieve the best possible quality of life and independence.

During 2017-2018 we completed implementing the Optimal Care customer program, to ensure we deliver the highest level of customer care regardless of the scheme. The program has three key objectives: integration, growth and innovation.



Integration - improving customer service outcomes

To continue to deliver best-class care for our customers, we've introduced a number of changes, including:

- a new risk-based decision-making framework that supports frontline staff to make principled care and support decisions faster and more consistently
- a fast-track approvals process for low-risk requests
- an expansion of the customer liaison function to provide more personalised support
- a streamlined applications process that's resulted in faster application and turnaround times
- end-of-life planning and grief support training.

Home modification services have also been integrated, allowing us to more efficiently manage in-home modifications for Lifetime Care, Dust Diseases Care and Workers Care customers. This has included creating a panel of building modification occupational therapists and expanding our existing panel of home modification project managers, widening both our scope and coverage. An attendant care panel was also established to cater for the range of needs across injured road users, workers and those suffering from a dust disease.



**“We’ve delivered
new initiatives
to improve the
customer experience.”**

Growth – greater access to care and support

We’re working to provide our customers with greater access to our care and support services, irrespective of the scheme and how they were injured.

We’ve achieved this through identifying and assessing severely injured workers from Insurance for NSW who are eligible to receive support via our Workers Care program. Care consultations for these workers, managed in partnership with scheme agents, will be introduced in 2018-19.

We’re also working to ensure we have adequate services in place to cater for new customers joining us following the introduction of the *Motor Accidents Injuries Act 2017*. The Act introduces a new function for the Lifetime Care program, that of providing treatment and care to those eligible after five years as scheme participants, or earlier if by agreement with the compulsory third party insurer.

Innovation – breaking down barriers

Our aim is to provide a centre of excellence where we exploit emerging technologies and practices to provide cutting-edge care and support. We’re achieving this in our Empowered Living program, which identifies barriers to independence among Integrated Care customers that can be reduced or overcome through technology.

This year, we successfully trialled:

- home modification virtual tours which help customers visualise and make decisions about proposed modifications
- home automation (including voice activation) to assist with things like sound and lighting in the homes of participants with quadriplegia
- portable oxygen concentrators to help participants with a dust disease get out in the community more easily.

In addition, the 2018 research process is now underway, and we’re working with customers to resolve new issues. With improved technology we’ve also updated our claims management system, Navigator and our data and analytics reporting tool, Qlik.

Engaging with employers

We know nothing is more valuable than listening to our customers face-to-face and we do this through our Mobile Engagement Team. Hosting events for our Workers Insurance customers and stakeholders across NSW, in 2017-18 the team held 22 community events attended by over 1,000 people.

Topics covered include the Get Healthy at Work program and the improvements being made in workers' insurance. These events provides us with valuable feedback from our customers.

Key to organising such engagements are the community connections developed by our Relationship Mangers, with local councils, business chambers, chambers of commerce and Safety Networks prominent among them. Other stakeholders include small and medium employers, rehabilitation providers and government agencies. We look forward to continuing the program in the coming year.

Actioning our customers' feedback – the net promoter score

Following an interaction with icare, customers are invited to participate in a survey to rate the quality of their interactions and their experience of our services. The information we receive gives a valuable insight into how we can improve. We also follow up those people with lower scores to ensure a timely resolution of any issues identified.

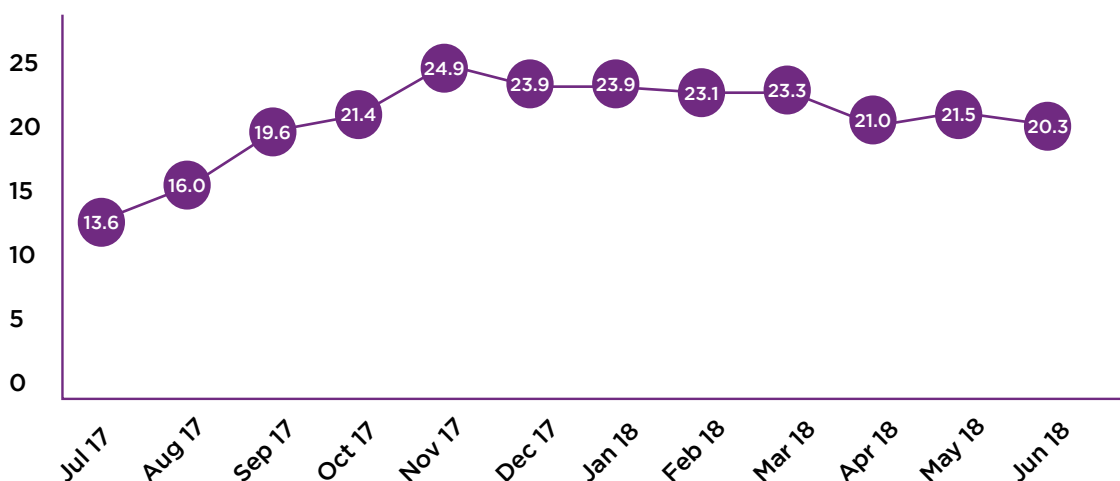
The net promoter score (NPS) program helps us not only track our performance but raise the bar. We use NPS feedback to focus on what we need to do to improve our customers' experience across the schemes. We learn from the most poorly scoring customers about what doesn't work and from the highest scores about what does work so that we can leverage that knowledge across the business.

Since the introduction of the NPS, we have seen an upward trend in all our measures, as seen in the graphs below. This year we sent out 160,310 surveys and received back 21,485. We ended the year on 20.3, which is an 6.7-point increase from the start of the year, and a strong endorsement of the steps we've taken to listen to our customers and act on their feedback.

There are vast differences across cohorts (schemes). The differences reflect the nature of relationships involved rather than any great difference in the services provided. For example, over the last financial year, the NPS score has ranged from -12 among employers to +88 from Dust Diseases Care surviving dependents. The visual below shows the score for customer relationships overall, and customer relationships across schemes over FY2017-18.

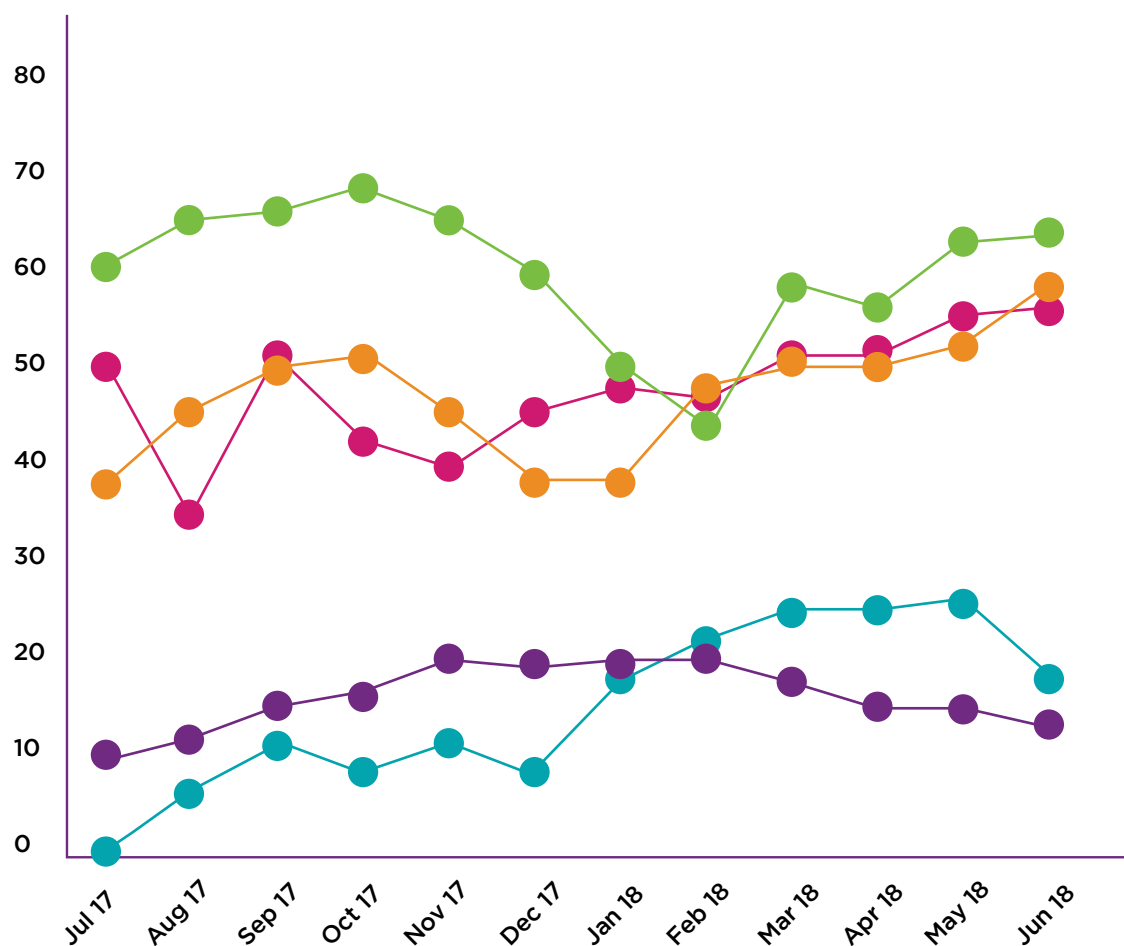
NPS

Customer relationships*



*Customers relationships are interactions/relationships icare can control directly or influence (business partners).
Note: All scores are based on a 90-day rolling period and a 12 month average weighting period.

Customer relationships** by scheme



Month	Workers Insurance	Insurance for NSW	HBCF	Dust Diseases Care	Lifetime Care
Jul 2017	9.0	0.0	51.5	60.7	37.7
Aug 2017	10.8	6.3	34.0	64.7	45.9
Sept 2017	14.2	11.5	51.1	66.8	49.0
Oct 2017	15.2	8.3	42.4	68.5	51.2
Nov 2017	19.0	11.4	39.5	64.5	45.2
Dec 2017	18.4	8.2	44.4	58.8	38.5
Jan 2018	19.3	17.7	48.4	50.0	38.5
Feb 2018	19.0	21.1	47.1	43.3	48.6
Mar 2018	17.0	24.0	50.2	58.6	51.9
Apr 2018	14.5	24.0	51.9	56.8	51.7
May 2018	14.3	24.7	55.0	63.1	53.7
Jun 2018	13.8	17.1	55.9	64.5	57.4

**Customers relationships are interactions/relationship icare can control directly or influence (business partners).
Note: All scores are based on a 90-day rolling period

Our financial performance

Financial and operations overview

icare is a social insurer that places its customers at the centre of everything it does. Key to this strategy are financially sustainable schemes. Operating on a break-even basis, icare passes on savings accrued through prudent financial management as reduced service fees to the schemes it provides services to, and reinvests to deliver better customer outcomes.

icare reports the audited financial statements for each scheme it operates. These comprise:

- Workers Insurance
- Self Insurance (Insurance for NSW) which administers:
 - NSW Treasury Managed Fund
 - Construction Risk Insurance Fund
 - Transport Accidents Compensation Fund
 - Pre-Managed Fund Reserve
 - Governmental Workers Compensation Account
 - Residual Workers Compensation Liabilities of the Crown
 - Bush Fire Fighters Compensation Fund
 - Emergency and Rescue Workers Compensation Fund
 - Supplementary Sporting Injuries Fund
 - Home Building Compensation Fund (HBCF)
- Lifetime Care
- Dust Disease Care
- Sporting Injuries insurance
- Building Insurers' Guarantee Corporation.

icare performance

Statement of comprehensive income for the year ended 30 June 2018

	2018 \$'000	2017 \$'000
Revenue		
Service fee revenue	654,712	645,916
Investment revenue	360	351
Other revenue	145	352
Total Revenue	655,217	646,619
Expenses		
Employee related	131,073	100,394
Other operating expenses	515,774	541,436
Grants	8,370	4,789
Total Expenses	655,217	646,619
Net result	-	-
Total comprehensive income	-	-

Key scheme performance

Workers Insurance business overview

Workers Insurance operates to provide workers compensation coverage to private employers in NSW. Premiums are determined by reference to wages, occupation specific premium rates and previous claims history.



Statement of comprehensive income for the year ended 30 June 2018

Workers Insurance	2018 \$'000	2017 \$'000
Gross written premium	2,332,713	2,161,842
Unearned premium movement	(6,989)	(89,018)
Gross earned premium	2,325,724	2,072,824
Hindsight adjustments	10,766	135,513
Net Earned premiums (a)	2,336,490	2,208,337
Gross Claims expense	(2,271,399)	(2,834,680)
Recoveries	74,514	10,929
Unexpired risk liability	(43,867)	56,637
Net claims expense (b)	(2,240,752)	(2,767,114)
Underwriting and other expenses (c)	(856,017)	(826,813)
Underwriting result (a+b+c)	(760,279)	(1,385,590)
Investment income	966,250	438,862
Investment management expense	(17,492)	(30,684)
Net investment revenue	948,758	408,178
Transformation expenses	(129,835)	(49,246)
Other income	30,299	38,424
Net result	88,943	(988,234)
Other Comprehensive Income		
Items that will not be reclassified to net result	-	-
Items that may be reclassified to net result	-	-
Total comprehensive income	88,943	(988,234)

Self Insurance business overview

Self Insurance (Insurance for NSW) was created to provide cost-effective insurance coverage for government risks and to encourage good risk management practices within the NSW public service. The Treasury Managed Fund (TMF), which includes workers compensation and general lines of property and casualty, is the largest fund.

Self Insurance includes the HBCF fund, but as the latter is analysed separately in the following section, it has been excluded here to allow better analysis of the remaining funds within Self Insurance.

Statement of comprehensive income for the year ended 30 June 2018

Self Insurance	2018 \$'000	2017 \$'000
Gross written premium and contributions	1,126,096	1,089,866
Unearned premium movement	207	1,454
Net earned premium	1,126,303	1,091,320
Outwards reinsurance expense	(41,064)	(45,272)
Net Earned premiums and contributions (a)	1,085,239	1,046,048
Gross Claims expenses	(1,583,525)	(1,354,975)
Recoveries received	29,668	46,502
Net Claims expense (b)	(1,553,857)	(1,308,473)
Underwriting and other expenses (c)	(198,892)	(183,952)
Underwriting result (a+b+c)	(667,510)	(446,377)
Hindsight adjustments	(192,716)	(307,870)
Investment revenue	905,741	949,959
Other revenue	164	3
Insurance profit	45,679	195,715
Grants (to)/ from the Crown	40,000	(85,000)
Net result	85,679	110,715
Other Comprehensive Income	-	-
Total comprehensive income	85,679	110,715

HBCF business overview

The Home Building Compensation Fund is part of Self Insurance but reports separately. It operates to provide a safety net for homeowners if building contractors are unable to honour their commitments due to insolvency, death, disappearance or suspension of licence. Builders are required to obtain insurance under the HBCF for residential construction projects over \$20,000, and policies remain in force for six years after completion of building works.

Statement of comprehensive income for the year ended 30 June 2018

HBCF	2018 \$'000	2017 \$'000
Premium	130,785	102,017
Unearned premium movement	(46,797)	(41,371)
Net Earned premium (a)	83,988	60,646
Gross Claims expenses	(57,620)	(56,135)
Recoveries received	875	2,601
Acquisition costs	(25,467)	(34,285)
Unexpired risk liability expense	(122,371)	(63,218)
Net Claims expense (b)	(204,583)	(151,037)
Underwriting and other expenses (c)	(19,113)	(15,985)
Underwriting result (a+b+c)	(139,708)	(106,376)
Investment income	3,291	1,374
Other Revenue	542	-
Insurance profit	(135,875)	(105,002)
Grants (to) and from the Crown	181,372	-
Other comprehensive income	-	-
Net Result	45,497	(105,002)

Lifetime Care business overview

Lifetime Care provides treatment, rehabilitation and personalised care services for people severely injured in NSW motor vehicle accidents, regardless of fault. Levies collected are targeted to fund the projected full life time costs for new claims arising during the levy year. Levy rate sufficiency is sensitive to injury frequency, injury severity together with the cost of care. Due to the long-term average duration of scheme liabilities changes in cost assumptions can have a material effect on funding adequacy.

Statement of comprehensive income for the year ended 30 June 2018

Lifetime Care	2018 \$'000	2017 \$'000
Revenue		
Fees and Levies	488,549	460,802
Investment revenue	457,259	418,100
Share of profit or (loss) of associates	(450)	442
Other revenue	1,566	180
Total Revenue	946,924	879,524
Expenses		
Scheme costs	792,366	514,991
Service fee	43,032	28,578
Other operating expenses	6,151	2,465
Total Expenses	841,549	546,034
Gain on disposal of assets	-	76
Net result	105,375	333,566
Other comprehensive income		
Items that will not be reclassified to the net result		
Net increase/(decrease) in property, plant and equipment revaluation surplus	800	(966)
Total other comprehensive income	800	(966)
Total comprehensive income / (loss)	106,175	332,600



Dust Diseases Care business overview

Dust Diseases Care provides no-fault compensation to past and present workers and surviving dependents for illness caused by occupational dust exposure in NSW. The scheme is funded on a pay-as-you-go basis for annual expected cash outflows comprising compensation payments and other expenses.

Statement of comprehensive income for the year ended 30 June 2018

Dust Diseases Care	2018 \$'000	2017 \$'000
Revenue		
Fees and Levies	61,822	115,879
Net investment revenue	96,622	84,721
Other revenue	11,976	3,192
Total Revenue	170,420	203,792
Expenses excluding losses		
Scheme costs	156,796	178,850
Service fee	13,560	10,204
Other operating expenses	628	662
Grants and subsidies	5,526	5,313
Total expenses excluding losses	176,510	195,029
Movement in allowance for impairment	(578)	(416)
Net result	(6,668)	8,347
Total comprehensive income / (loss)	(6,668)	8,347

More detail, including information on our other schemes and funds can be found in our full financial statements, which is attached to this report.

Market review

The global economic expansion continued in 2017-18, providing a foundation for strong global equity market performance in the first half of the year. US markets were particularly buoyed by the combination of tax cuts and increased government spending. However, the latter part of the year was punctuated by heightened geopolitical risks mostly related to worsening international trade relations. Still, with most major economies growing at an above-trend pace, central banks continued to signal their preference to wind back accommodative monetary policy settings.

The US Federal Reserve (Fed) was among the central banks to tighten monetary policy. Over the 2017-18 financial year, the Fed hiked its policy rate three times by a total of 0.75 per cent, taking its cash rate to a range of 1.75 per cent to 2.00 per cent. Representing a further tightening of financial conditions, the Fed also reduced the size of its balance sheet. The European Central Bank followed suit with its announcement that it would end its bond purchase programme by December 2018.



With markets focused on synchronised global growth, global equity markets performed strongly in the first half of the year. The MSCI World Equity Total Return Index (in local currency) increased 14 per cent in the first seven months of 2017-18. However, volatility in the equity market increased for the remainder of the year as investors shifted their focus to escalating global trade tensions. Overall, global equities still finished the 2018 financial year 11 per cent higher.

Global bond markets sold off in the first half of the financial year as central banks continued to withdraw monetary stimulus. The 10-year US bond yield increased over 0.5 per cent, resulting in low, or modestly negative, returns in sovereign bond markets for the financial year. The rise in geopolitical tensions limited the extent to which global bond yields rose.

Throughout the year, the Reserve Bank of Australia (RBA) remained confident that the Australian economy would accelerate. Australia's GDP growth exceeded 3 per cent for the first time since 2016; however, the RBA now concedes that wages growth may remain subdued for some time and any pickup is likely to be gradual. The RBA's downbeat outlook for inflation forced market participants to push back their rate hike expectations to 2019-20.

Investment performance

icare's investment portfolios are actively managed to achieve return and risk outcomes. All icare investment portfolios saw positive returns over the 2017-18 financial year and exceeded their stated investment objectives. Full details of the earnings of all investment funds can be found in the full financial statements.

Funds benefited from strong performances in the Australian equities and Australian unlisted property sectors, with all funds exceeding their asset-weighted benchmarks. Unlisted infrastructure investments also provided solid returns with low levels of volatility. Global equities performed well in absolute terms and the decline in the Australian dollar provided additional returns for investments held in foreign currencies. While cash and bond market returns were low in line with the low level of interest rates, the allocation to defensive asset classes remain important in building portfolios resilient to market shocks.



Investment administration

Governance arrangements

The icare Board is responsible for setting investment policy, objectives, risk management, and reporting to the Minister on the performance of icare funds (with the exception of the Treasury Managed Fund and other Insurance for New South Wales investment funds).

The NSW Treasury is responsible for recommending to the Treasurer strategic asset allocations for IfNSW investment funds. icare and the NSW Treasury have agreed a Memorandum of Understanding between the two agencies whereby the icare Board will assume responsibility for recommending the strategic asset allocations to the Treasurer based on the risk and return objectives set by the NSW Treasury Asset and Liability Committee. These arrangements became effective July 2018.

NSW Treasury Corporation (TCorp) remains icare's mandated investment manager and prime adviser, while Mercer Investments (Australia) Limited remain appointed as icare's asset consultant.

Common Custodian Project

In December 2016 JP Morgan Investor Services were appointed as the common custodian for financial assets under NSW Treasury Corporation's administration and management to deliver better value administration services, consolidated reporting and wider data analysis.

The transition of icare's assets to the new custodian was effective 1 November 2017.

◀ **Cindi Howard**
I enjoy working in an organisation that's committed to improving participants' quality of life.

Strategic asset allocations and investment returns

The following tables show highlights of the strategic asset allocations (SAA) and investment returns for statutory funds overseen by icare. Full details can be found in the icare full financial statements.

Strategic asset allocation 30 June 2018

Asset Class	Workers Insurance (%)	Insurance for NSW (Treasury Managed Fund) (%)	Lifetime Care (%)	Dust Diseases Care (%)	Sporting Injuries (%)
Australian equities	9.0	26.0	16.5	16.0	
International equities – emerging markets	2.5	6.5	5.0	5.0	
International equities - hedged	3.0	2.5	3.0	4.0	
International equities - unhedged	10.5	24.5	18.5	17.0	
Listed property		2.0			
Australian unlisted property	7.0	9.5	10.0	10.0	
Credit	2.0				
Global high-yield	2.0	2.0	2.0		
Global credit		2.0			
Bank loans	2.0	3.0	3.0	3.0	
Emerging market debt	2.0	2.0	4.0	4.0	
Alternatives	4.0			3.0	
Infrastructure debt	2.5				
Unlisted infrastructure	2.5	6.0	7.0	5.0	
Multi-asset		4.0	6.0		
Diversified growth assets	49.0	90.0	75.0	67.0	0.0
Australian fixed interest	19.0	3.0	5.0	13.0	
Australian inflation-linked bonds	26.0	2.0	15.0	10.0	
Cash	6.0	5.0	5.0	10.0	100.0
Defensive assets	51.1	10.0	25.0	33.0	100.0
Total fund	100.0	100.0	100.0	100.0	100.0

Workers Compensation Insurance Fund 2017-18 returns

Performance	1 year (%)	3 year (% p.a.)	5 year (% p.a.)	Since Inception* (% p.a.)
Fund	6.16	4.80	6.67	6.36
Benchmark**	6.11	4.93	6.47	5.93
Excess	0.05	-0.13	0.20	0.43

* Since inception date is 30 November 2005.

** Benchmark is a composite benchmark based on the fund's strategic asset allocation.

Sporting Injuries Fund 2017-18 returns

Performance	1 year (%)	3 year (% p.a.)	Since Inception* (% p.a.)
Fund	3.86	3.83	5.83
Benchmark**	3.62	3.58	N/A
Excess	0.25	0.25	N/A

* Performance data for the fund commenced on 30 June 2011.

** Benchmark is a composite benchmark based on the fund's strategic asset allocation and commenced 31 December 2013

Lifetime Care Fund 2017-18 returns

Performance	1 year (%)	3 year (% p.a.)	5 year (% p.a.)	Since Inception* (% p.a.)
Fund	8.87	7.02	9.09	7.90
Benchmark**	8.58	6.57	8.55	7.64
Excess	0.29	0.45	0.54	0.26

* Performance data for the fund commenced on 30 June 2007.

** Benchmark is a composite benchmark based on the fund's strategic asset allocation.

Dust Diseases 2017-18 returns

Performance	1 year (%)	3 year (% p.a.)	5 year (% p.a.)	Since Inception* (% p.a.)
Fund	8.53	7.10	9.37	5.61
Benchmark**	8.10	6.52	8.41	5.53
Excess	0.43	0.58	0.96	0.08

* Performance data for the fund commence on 30 June 2007.

** Benchmark is a composite benchmark based on the fund's strategic asset allocation.

Treasury Managed Fund 2017-18 returns

Performance	1 year (%)	3 year (% p.a.)	5 year (% p.a.)	Since Inception* (% p.a.)
Fund	11.34	8.55	10.52	6.79
Benchmark**	10.94	8.44	10.42	6.24
Excess	0.40	0.11	0.10	0.55

* Since inception date is 31 March 1999.

** Benchmark is a composite benchmark based on the fund's strategic asset allocation.

Our risk management approach

► **Fehraz Falil**

At icare I can challenge the norm to deliver better results for our customers.



Over the 2017-18 financial year icare maintained standards associated with Risk Management Standard AS/NZS ISO 31000 and the NSW Treasury's Internal Audit and Risk Management Policy for the NSW Public Sector (TPP15-03). Where pertinent we have also applied the Australian Prudential Regulatory Authority standards and practices.

Risk management strategy

icare's Risk Management Strategy articulates the approach and guiding principles of our risk management – the risk framework and its key policies, roles and responsibilities. More broadly, it also incorporates governance and internal culture, which contribute to delivering icare's organisational objectives, shown below.

Risks and opportunities			
	Description	Overview of response	Management approach
External	External events or activities which are outside our control or beyond direct ability to influence.	Monitor / Detect / Adapt and / or build resilience to reduce impact.	Facilitated by Risk and Governance together with Strategy and Transformation.
Strategic	Higher level risks and opportunities taken for superior strategic benefit.	Identify and manage in pursuit of our strategic objectives.	Facilitated by Risk and Governance with assistance / input from the Service and Enabling lines.
Operational	Lower level risks and opportunities which are preventable and arise from within an organisation. Should be cost effectively controlled, eliminated or avoided.	Monitor operational processes and controls. Identify potential risks and manage these to mitigate their impact.	Undertaken by the Service and Enabling lines with support from Risk and Governance.

Risks and opportunities should be assessed based on their impact on:

- Financial wellbeing
- Customers
- Reputation
- Operations

Risk management framework

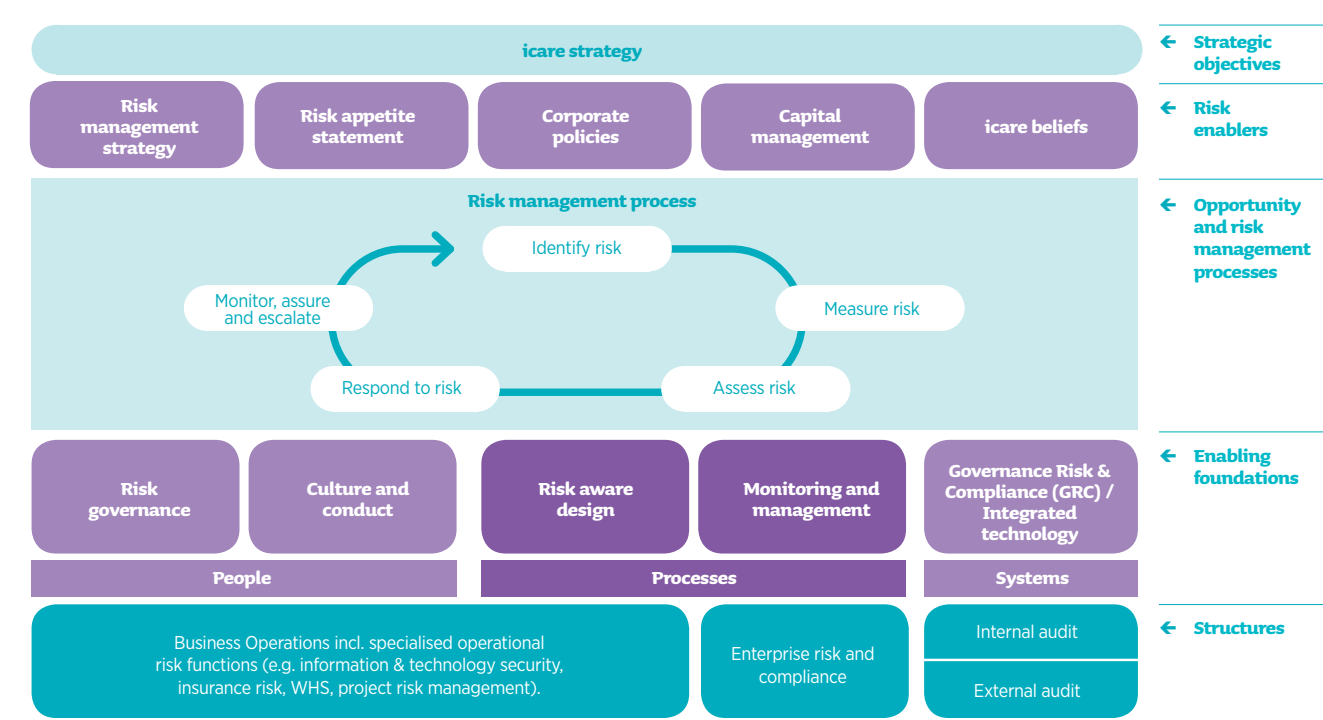
Our employees and organisational culture are central to the Risk Management Framework and its continuing maturity. We seek to positively influence knowledge and risk awareness, and those elements that underpin our culture: our values, beliefs, attitudes and behaviours. This is evidenced in several initiatives.

Our regular functional risk assessments assess probability and severity against the functions they measure and provide each area of the organisation with risk and control information. By prioritising actions, highlighting opportunities and allocating accountability they contribute to developing a mature risk culture.

Risk profiles are also generated across projects to allow strategic objectives to be met. Our Enterprise Risk team oversees this activity and supports the business in their management.

The Risk Champion Forum is an opportunity for Risk Champions representing their colleagues to share experiences, learnings, support and advice. Risk Champions also participate in risk management committees to monitor and respond to risks specific to service lines or risk categories. Additional measures are in place to measure risk, prioritise effort and help deliver the icare strategy. Some are described in the diagram following, the main features being:

- an enterprise-wide governance, risk and compliance system that captures and informs risk, risk controls, assurance and incident reporting
- a common risk matrix that ensures a consistent means to measure risk based on icare’s values and incorporating APRA standards
- an active icare Strategic Risk Profile with accountabilities aligned to the Group Leadership Team. Quarterly reviews are facilitated by Enterprise Risk, with icare’s Group Executives and other key stakeholders
- quarterly risk reporting to the Board’s Audit and Risk Committee that reports on the identification and management of external, strategic and operational risks in line with the Risk Management Strategy.



Risk appetite and reporting

The Board's Audit and Risk Committee assess the effectiveness of the organisation's risk management framework and the robustness of its control environment on an ongoing basis to help the Board fulfil its corporate governance and oversight responsibilities.

Quarterly reporting to the Audit and Risk Committee includes the Risk Appetite Dashboard that measures performance relative to the Board's Risk Appetite Statement (RAS). The RAS, supported by appropriate governance infrastructure, establishes acceptable risk thresholds for employees and, together with the Risk Management Strategy, informs icare's business planning cycle. A key governance document, it is responsive to changing market challenges and opportunities and guides management in material decision-making.

Together with our Risk Management Strategy, the Risk Appetite Statement informs icare's business planning cycle. As an integral part of the regular business plan performance process, our Board requires periodic assurance from the Chief Executive Officer, or nominated representative, that its risk appetite requirements are being met.

The Risk Appetite Statement is itself subject to annual review and approval by the Board and updated in line with changing requirements and emerging experience.





Business continuity management

We are committed to ensuring that our critical business processes can continue should a serious unplanned incident disrupt normal business activity.

This includes having plans, systems and capabilities in place to ensure the organisation can respond to and recover from any interruption. This includes but is not limited to people, facilities, equipment, information technology, telecommunications and suppliers.

The approach and methodology of icare's Business Continuity Policy Guideline have been developed in alignment with the generally accepted best practice approaches outlined in:

- International Standard ISO 22301 – Societal Security – Business Continuity Management Systems – Requirements
- International Standard ISO 22313 – Societal Security – Business Continuity Systems Guidance
- APRA Prudential Standard CPS 232 Business Continuity Management.

Public interest disclosures

We maintained our Reporting Wrongdoing Policy in 2017-18, which is available to all employees on our intranet. In line with our organisation's values, the CEO has acted to ensure employees are aware of their rights and responsibilities under the *Public Interest Disclosure Act 1994*, including through activities such as induction, online compliance training, our intranet and internal communications.

Workers Insurance



We have focused on delivering for our customers by strengthening our core business and delivering solutions

► **Isaac Mok**
At icare, we work with great energy and passion to safeguard the community when it needs us most.

icare's Workers Insurance provides incentive and risk-based insurance policies to NSW employers to cover the cost of supporting injured workers in their return to work. One of the largest workers' insurance schemes in the world, we support over 310,000 businesses, over three million NSW workers and insure over \$160 billion in wages. In 2017-18 alone, we issued more than 40,000 new workers insurance policies and renewed over 270,000.

Working collaboratively with employers, we provide a consistent, high-quality service to ensure that every worker is given the support they need to return to work. This year, with the launch of several new initiatives aimed at delivering a more streamlined and customer-focused service, we focused on strengthening our core business for both employers and injured workers.



Commercial mind

One of our core responsibilities to customers is to balance the rights and obligations of the employers whose premiums fund the scheme and the workers who are supported by it. For both of these key stakeholders, our ongoing financial sustainability is vital.

The premiums we collect are used to pay claims and statutory levies and to operate the Workers Insurance scheme. We also invest to provide for the needs of injured workers and cover operating costs into the future.

A financially sustainable scheme

Driving our approach is the need to ensure we are delivering a scheme that supports our customers while also keeping premiums affordable for NSW businesses.

We've worked closely with employers and industry groups to reduce costs and to ensure that every dollar spent on their premiums benefits their business and their workers. Workers compensation insurance premium rates remained at 1.4 per cent of wages in aggregate across NSW employers.

We've also taken a responsible approach to our funding ratio (a key measure of financial soundness) to ensure the scheme remains sustainable into the future. This year we achieved a funding ratio of 115 per cent* at 80 per cent Probability of Adequacy. Given the uncertainties of estimating insurers' future liabilities and assets, it is standard business practice to target a funding ratio greater than 100 per cent. We want to ensure the scheme we are operating is not only financially sustainable but protected against the risk that funds may fall short if future events turn out to be significantly different to the estimates and assumptions that have been made.

*As of 30 June 2018.

An industry approach

This year we focused on how we can serve employers more effectively. With a wealth of information available to us about the differences in workplace injuries within industries and their recovery times and treatments, we are working to apply the evidence to help prevent injuries and ensure the best return-to-work support is available should someone be injured.

In June 2018 we launched an industry insights tool that allows employers to see interactive workers compensation data segmented by industry and region. Over the coming year we will be developing the model and look forward to reporting on its successful uptake. We have also commenced a pilot with the manufacturing industry to better understand their needs and how we can best work with them to help keep their people safe.

Improving our services

In a year of delivery for our customers we've focused on injury prevention, with a number of activities aimed at establishing a different approach. Protect Together is one such program.

A voluntary injury prevention program, Protect Together supports employers in higher risk environments or with higher injury rates to keep their people safe. Working with employers, we're helping to identify where improvements can be made to their injury prevention systems and culture.

As well as specialist injury prevention support, we now offer employers a safety culture survey, aimed at workers' safety and premium reduction. One of the first, employers to join us was Coastal Transport Services, a transport and logistics company. With Workers Insurance, they are surveying their drivers' attitudes and perceptions to better understand how they can influence driver behaviour, with the ultimate goal of keeping their drivers safe.

A new claims service model

Since our formation in 2015 we have set out to change the way workers insurance claims are managed – to put the customer first and some huge strides have been taken as part of that journey.

The launch of our new claims services model saw us replace a system that had been in use for 30 years. The result of years of research and feedback from our customers has resulted in a simpler and more transparent claims process that treats workers and their employers with respect, empathy and fairness.



The new model includes a new technology platform and a streamlined claims management function to ensure a high-quality, consistent service. Part of that process has been the consolidation of our insurance policies and claims service functions, previously administered by five scheme agents – Allianz, CGU, EML, GIO and QBE on icare’s behalf.

Over the 2017-18 financial year we stabilised operations, appointing Allianz, GIO and EML, which delivered significant improvements to the customer experience and resulted in overall savings to the scheme.

The main feature of our new model is an entirely new online portal. With our goal always being to make the claims process simpler, transparent and effective, key features include:

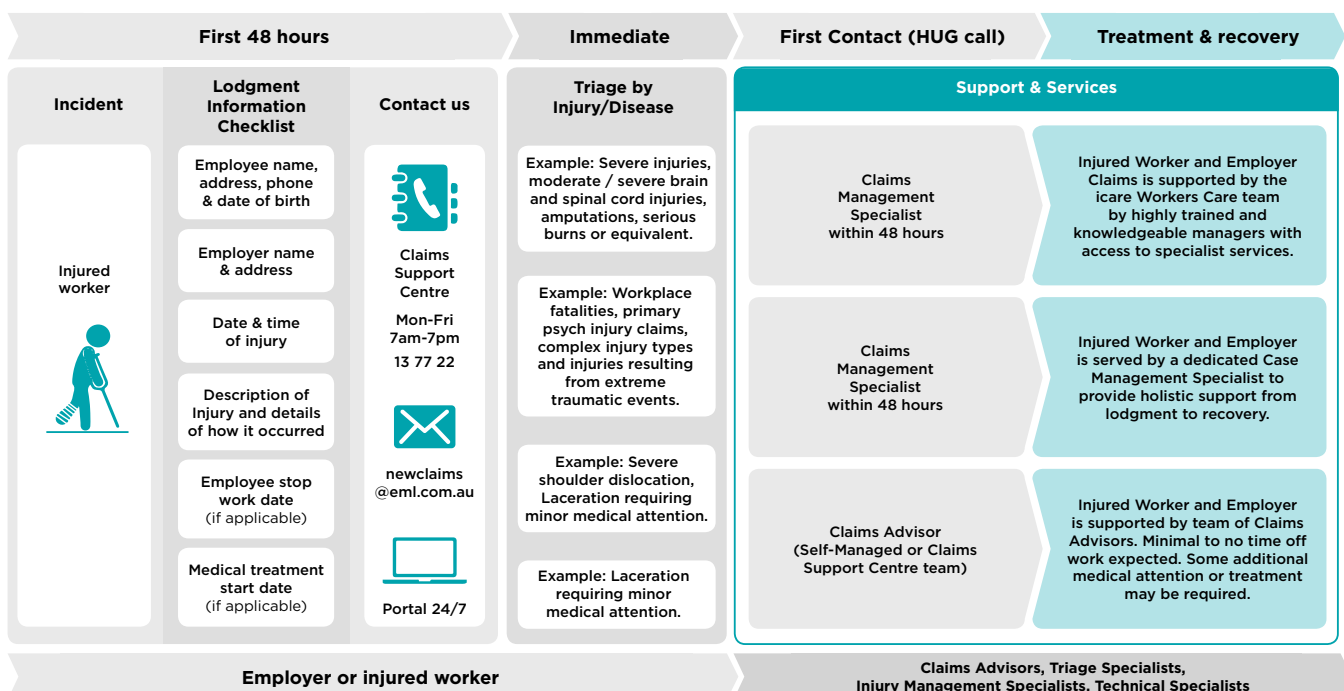
- simple injury notification – employers, injured workers and health providers can notify us of an injury via the online portal or by phone
- targeted support – using data analytics and insights both workers and employers are quickly assigned the most appropriate support for their circumstances
- 24/7 availability – the online portal allows customers to notify us of incidents at a time convenient for them
- better communication – case numbers are now allocated, which can be used by injured workers when visiting GPs or treatment providers to ensure they get treatment approved quickly.

With the portal now available more than 60 per cent of claims are lodged online and 13 per cent of all claims lodged outside core business hours. At the same time, we have seen a reduction in employer lodgement from 95 per cent to around 85 per cent of all claims, with the balance being workers or third-party representatives.

Claims lodgement is just the beginning of the process. A key component of our operations is how claims are followed up with employers and workers. We place over 9,000 outbound calls to customers each week, of which around 1,700 are HUG (How’re U Going) calls that provide initial support for employers and workers. With these calls, we check in with the injured worker and employer to ensure they are both comfortable with progress and aware of the next steps on the claims journey.

The early data from our innovative triaging process shows that of the 30,000 claims lodged in the first six months of operation, 65 per cent have been triaged into the ‘Simple Claim’ segment which is focused on straight-through processing and simple approvals for claims which have minimal or no time off work. This has greatly simplified a significant proportion of the claims managed.

As a part of the new claims model we’ve also established a new Dispute Resolution Team that works closely with employers and workers to resolve disagreements about claims decisions. Since its introduction, the number of complaints overall has come down, and the number of disputes lodged with the Workers Compensation Commission has fallen by 11 per cent for first three months of 2018 compared to the same period in 2017.



Improving liability decisions

For claims that require time off work, the acceptance of provisional liability of a claim can often lead to misunderstanding about the cost impact to premiums and the scheme as a whole.

Year-on-year, there has been a significant reduction in the application of full liability decisions at first decision from around 30 per cent to five per cent of claims. This has been balanced by an increased application of provisional liability,* with overall liability acceptance/declinature within one per cent of the same period last year.

Early acceptance of provisional liability allows workers to get treatment faster, which in turn can lead to a quicker return to work and reduce the overall cost of the claim. This has been most apparent in mental-health claims. Getting faster access to treatment has delivered a 40 per cent improvement in return-to-work outcomes as well as a 32 per cent reduction in the associated cost of weekly benefits.

These changes have resulted in better cost containment. In 2016 and 2017, claims payments showed an increase above the rate of inflation; however, claims payments to date have not shown any continuation of the year-on-year increases seen in previous years. Overall, the value of net claims paid is about four per cent lower than in 2017.

*The assignment of provisional liability does not mean the claim has been accepted. All claims have an ongoing full liability assessment that involves the appropriate parties and a liability decision made in line with regulatory requirements.



Medical Support Panel

At icare we want injured workers to get the treatment they need as quickly as possible and, following a successful pilot, the Medical Support Panel is now a permanent feature of icare claims model. Comprising doctors specialising in work injuries, the panel provides case managers with medical advice and expertise to fast-track decision-making, supporting both the injured worker and their employer.

Medical Support Panel members support case managers and treating clinicians in various ways, like improving communication between workers and their healthcare providers, assisting with case strategies and discussing alternate best-practice treatment options. icare's claims services partners have been integral to the panel's success and are committed to implementing the panel's recommendations.

Independent medical examinations (IMEs) play a valuable role in the scheme. The Medical Support Panel is not intended to replace IMEs, and in most cases, its recommendation supports the proposed treatment. Around one quarter of cases reviewed by the panel are referred to an IME for further assessment regarding causation or treatment.

The Medical Support Panel has reduced average treatment approval timeframes from six weeks to five days and made more than 2,400 treatment recommendations since its introduction in 2017, significantly improving outcomes for our scheme customers. Workers can receive the treatment they need sooner, with accelerated recovery and return-to-work rates benefitting both injured workers and employers.

Case study

Jamie

The new claims model was launched on 1 January 2018 and icare was open for business. It was a relatively quiet day, but one of the first calls we took – from an unlucky skydiving instructor – reinforced to us the importance of being there for our customers.

Jamie,* an experienced skydiving instructor, was working on New Year's Day, helping his customers start the year with a high-thrills tandem skydive. Unfortunately, he got more than he bargained for when coming in to land. Trying to protect his tandem buddy from a puddle of water, he fell and broke his back.

Jamie was taken to hospital where he was diagnosed with a serious, but recoverable, injury. Immobilised in a hospital bed on New Year's Day, he started to worry about his business and the medical expenses he would incur because of the fall. Not really expecting to get answers to his questions, Jamie called our Claims Support Centre.

Our claims advisor Jen was there to take his call. Jen made sure Jamie was comfortable before she lodged his claim for him and assured him his immediate needs would be taken care of.

Reassured he would be supported throughout his recovery, Jamie told us he appreciated the high standard of service he received. Considering the extent of his injuries, Jamie's rehabilitation is going well. We will continue to support him through his recovery and return to work.

* Pseudonym used.



“The Medical Support panel has reduced average treatment approval timeframes from six weeks to five days.”

Insurance for NSW



As a trusted risk advisor to the NSW government, we're focused on delivering for our government customers

icare's Insurance for NSW (IfNSW) is the largest public sector managed fund scheme in Australia, with \$9.4 billion in assets and 193 contributing members. A trusted risk advisor to the NSW Government, we also provide tailored risk solutions, insurance cover and advice to NSW Government agencies and protect over \$184 billion of the state's most iconic assets, including the Sydney Opera House and the Harbour Bridge. Hospitals and schools, and infrastructure projects like the building of roads, rail lines and dams are also insured against the consequences of loss and damage during their construction.

In the 2017-18 financial year Insurance for NSW:

- protected over \$184 billion of the state's assets and more than 300,000 public sector employees, including all icare staff
- paid \$ 1 billion in claims
- managed 37,631 new and existing workers compensation and general insurance claims.



Our FY 2017-18 transformation

Beginning in 2016-17, we embarked on a three-year, multi-stream transformation program to evolve the Self Insurance service line to become icare Insurance for NSW, a trusted insurer and risk advisor to NSW government agencies. Part of that process was our rebrand. In January 2018, we became icare Insurance for NSW, the new name better reflecting who we are and what we do; a demonstration of our commitment to create closer partnerships with our government agency customers.

Our transformation has focused on three pillars: accountability, choice and partnership.



Reinsurance to protect NSW Government agencies

The Treasury Managed Fund (TMF) is the largest fund administered by Insurance for NSW and offers government agencies, including budget sector and non-budget agencies, the broadest possible asset and liability protection (except compulsory third-party insurance) available worldwide.

Throughout May and June 2018, with the professional guidance of our reinsurance* broker, we engaged with domestic and international insurers and reinsurers to secure our program of reinsurance for the 2018-19 financial year. The TMF reinsurance program includes insurance for workers compensation, property, fine arts, cybercrime, marine, aviation, medical malpractice, general liability and terrorism, ensuring we are well placed to provide substantial financial support to the NSW Government against the costs of large-scale insurance losses following a catastrophic event.

*Reinsurance protects the government against unforeseen events and means losses can be managed with minimal impact on the state budget.

Accountability

We have developed a direct, accountable relationship with government agency partners by bringing policy and billing operations in-house. Agencies have received a single icare-branded invoice from Insurance for NSW for their FY2017-18 contributions, while a centralised declaration platform is underway for release in FY18-19.

We have also enhanced our digital portal, meaning NSW Government agencies will enjoy a simpler claims experience, and the ability to lodge online and download Certificates of Currency as required.

Improved agency engagement

Our commitment to partnership has been strengthened with the establishment of a new Risk Advisory and Client Engagement (RACE) team. Comprising risk specialists and client engagement managers, the team works in partnership with government agencies to help secure the safety and wellbeing of the people and assets of NSW.

We do this by providing bespoke risk advice, strategic risk insights and partnering with NSW Government agencies, including SafeWork NSW, to provide risk intelligence through detailed data analysis. With a consistent and informed approach to risk, the team provides advice on emerging risks for government agencies.

Part of the RACE team, our client engagement managers (CEMs) work closely with agencies to understand their priorities and goals. CEMs provide advice, products and services to anticipate and meet agency needs, connect agencies with subject matter experts and keep abreast of changing risk requirements.

New partner – Gallagher Bassett

In December 2017, we established a new service model and general lines partnership with Gallagher Bassett. Finalised in June 2018, this involved building a new business operation from the ground up, recruiting and inducting around 60 people, deploying a new technology platform and successfully migrating nearly 600,000 open and closed claims. The contract includes providing claims management services for general liability (including medical malpractice), property and engineering, motor vehicle and miscellaneous claims.



◀ **Ibrahim Fajloun**
At icare I'm empowered to better the customer experience, and encouraged to succeed.

Case study

Roads and Maritime Services

Our one-stop-shop Risk Advisory and Client Engagement team is strengthening agency partnerships through improved communication, individual attention and risk oversight. This is clear in feedback we received from one of our clients, Goran Bogdanoski, Insurance Manager for Roads and Maritime Services.

“They know what they’re talking about and they are really making an effort to understand our business,” he said. “The team is going out of their way to host workshops for us; they’re coming on site, they’re visiting our offices and seeing how we work and what we do in the field. With this understanding, they’re increasingly able to point out gaps so we can improve our services.”

Goran acknowledged the simple and easy-to-understand explanation of RMS’s contribution this year.

“It was very well organised. It was clear to read, and the team explained everything perfectly. In previous years the contribution presentation was not only hard to understand, but it was delivered after we’d already paid the bill. This year, the presentation came before the invoice, which made my life easier, because when I was asked about it, I knew what I was talking about.”

“They know what they’re talking about and they’re really making an effort to understand our business.”





Construction Risk Insurance Fund

The Construction Risks Insurance Fund (CRIF), part of Insurance for NSW, provides construction insurance for infrastructure projects on behalf of the NSW Government and its partners. The fund offers principal arranged insurance that leverages the government's significant construction investment to ensure a robust insurance program is in place to indemnify against the financial impact of construction claims.

CRIF policies directly insure construction contractors and consultants, sub-contractors and specialist contractors of all sizes and tiers, government-owned corporations, local councils and the public, and extend over the entire project, eliminating gaps and duplications between policies.

In 2017-18 CRIF:

- insured projects with a total turnover of \$7.5 billion over 1,900 projects
- returned over \$11 million to the state budget through effective management of liabilities.

Lifetime Care

We're continually improving to ensure we deliver a better customer experience for Lifetime Care participants



Through Lifetime Care, we provide lifelong treatment, rehabilitation and personalised care services to people severely injured in a motor vehicle accident in NSW, regardless of fault. The scheme also supports research aimed at helping people and their families adjust to the impact of traumatic injury, and programs that examine the effectiveness of different rehabilitation methods, to provide health professionals with best-practice information.

The Lifetime Care and Support Scheme is managed under the terms of the *Motor Accidents (Lifetime Care and Support) Act 2006* and funded through the Medical Care and Injury Services levy paid by NSW motorists when they purchase compulsory third-party insurance.

On average, 180 people enter the scheme each year as interim participants, including children under 16 and adults. Those who make a good recovery leave the scheme, while approximately 120 continue as lifetime participants.

Lifetime Care also administers the ACT Lifetime Care and Support Scheme, which covers people who sustain catastrophic injuries on ACT roads or workplaces, on a full-cost recovery basis. Currently, seven ACT participants are supported.

Participant numbers

Participant numbers continue to increase in line with projections. There are currently 1,345 participants: 289 interim participants and 1,056 lifetime participants.

Participant numbers by injury type				
Lifetime Care scheme	Brain	Spinal	Other	Total
Interim	244	40	5	289
Lifetime	773	253	30	1056
Lifetime Care total	1017	293	35	1345



▲ Joel Wales

To me, icare people truly live our values and vision and believe in the job they do. Even when resources are stretched and times are stressful, our Gosford claims team work for each other and for our customers to really help people in their time of need.

Our 2017-18 highlights

My Plan

A customer-centric planning tool 'My Plan' is being used to engage with Lifetime Care, Workers Care and Dust Disease Care participants, to help us understand what is important to our customers and to ensure supports are there to meet their needs.

A comprehensive evaluation including feedback from Lifetime Care scheme participants was used to revise and update My Plan for Lifetime Care and Workers Care participants, while for Dust Diseases Care clients, a new My Plan was developed and implemented which aligns our service delivery approach with best practice and international standards for care.

A detailed evaluation of My Plan was completed in 2017, with research results presented at the Asia Pacific Conference on Integrated Care and featured in the International Journal of Integrated Care.

Guidance for spinal cord injury

Following extensive research and review, Lifetime Care released the third edition of its 'Guidance on the support needs of adults with spinal cord injuries'. The resource assists injured people, their families and health professionals to make informed decisions about living with a spinal cord injury and the support available. Used widely across Australia, the guide contains definitions, screening tools, maintenance checklists, practical advice on a range of topics and links to relevant information and resources.

Led by Dr. Sue Lukersmith as principal advisor, and a working party of health professionals, researchers, service providers, support workers and people who have sustained injury, the guide draws on both our experts' practical knowledge and the rich first-hand experiences of people with a spinal cord injury. It was presented at the 57th Annual Scientific Meeting of the International Spinal Cord Society in September 2018.

Self management

Our self-management program was designed for participants who have been in the Lifetime Care scheme for a few years, to assist in adjusting to life with an injury and developing independence. Participants include people with traumatic brain injury or spinal cord injury. The self-management program encourages independence through several support options, including making direct payments to service providers, using an agency to engage support staff and direct employment of support workers.

We are continuing to identify participants who may benefit from self-management and will extend the program to Workers Care participants over the current financial year.



Case study

Huntah's story



▲ **Huntah Hawkins**
Age 13

In 2009, four-year-old Huntah was involved in an accident and sustained a severe traumatic brain injury that left him a quadriplegic and unable to communicate verbally.

Since Huntah's accident, Lifetime Care has provided support to help him communicate with his family, friends and the world around him.

Intensive speech therapy and a device called Tobii has helped Huntah progress from two words to full sentences and changed the way he communicates with his family and friends. Tobii uses eye-tracking technology that allows users to control devices like computers via eye movements. Huntah can also communicate by vocalising, pressing his wheelchair horn and shaking his head for yes and no.

In year five and with the help of a teacher's aide funded by Lifetime Care, Huntah was able to write a speech that helped him get elected as school captain. He also attended school camp in Canberra for four nights, the first time he had been away from home for more than one night on his own. While in Canberra, Huntah caught up with the Canberra Raiders, rivals to his favourite football team, the North Queensland Cowboys.

Now 13 years old and in his first year of high school at his local school, Huntah is currently making a horror movie and enjoys classes in French, cooking and art. Huntah loves watching wrestling and rugby league and playing with his younger brother, as well as hydrotherapy. With a new power wheelchair Huntah received at the end of 2017, he can now also move around home and school independently.

Dust Diseases Care

Dust Diseases Care provides a no-fault scheme for NSW workers who have developed a dust disease from occupational exposure to hazardous dust

The Dust Diseases Care scheme is focused on providing ongoing assistance to support workers' and dependents' quality of life, with operating costs funded by an employer levy. Working closely with workers with dust diseases and their families, the scheme provides timely access to information, personalised care and comprehensive support. Dust Diseases Care also funds research, information and education about dust diseases and ongoing assistance to workers and their families.



We recognise that workers' needs change over time, so our care and support services are tailored to ensure sustainable outcomes are achievable for individuals and their families. This includes financial support and healthcare for workers with a dust disease throughout their life, as well as services like medical examinations, compensation, and medical and healthcare payments. Related healthcare items covered include home nursing, hospital fees, the hire of equipment and aids, pharmaceuticals and domestic assistance. We also support workers' dependents, with dependent spouses, partners and a small number of children of a deceased worker able to receive an initial lump sum payment and fortnightly compensation payments.

In the 2017-18 financial year 1,405 workers and 3,204 dependents were supported, while compensation benefits totalling \$84.65 million and \$16.7 million in healthcare and funeral benefits were paid out.

Small changes, big improvements

Claim times slashed

Continuously improving our services is always our priority, and we are proud of the following improvements that have assisted our customers. The average time taken to determine workers' claims has reduced from 136.7 days prior to September 2015 to 42 days at 30 June 2018, a 69.2 per cent improvement. For dependents, the average time taken to determine their claims has seen a 63.7 per cent improvement, falling from 70.98 days before September 2015 to 26 days as at 30 June 2018.

We recently introduced our first online application form, which means that requests for a medical examination and compensation applications can now be lodged outside business hours. We are also working to make it easier for people to submit supporting documentation online and have payment of the maximum allowable funeral benefit of \$9,000 fast-tracked immediately on notification of the worker's death.

Customer liaison team streamlines service

A single customer liaison point for applicants and customers has been implemented, delivering a more cohesive service tailored to the individual. Our Customer Liaison Officer is the public face of the team, providing a single point of contact for clients and advice and guidance when they need it. The Customer Liaison team also assists new workers and dependents by taking their application over the phone, reducing the time it takes to finalise their claim. Implementation of the Customer Liaison team has improved communications between our customers and ourselves, ensuring a better understanding of the scheme and its entitlements for all concerned.



Keeping our customers at the centre of everything we do, we have also funded community and not-for-profit support organisations to provide peer-to-peer support for people with dust diseases and their families. Next year, Dust Diseases Care will be looking to extend that support by establishing partnerships with Carers NSW and the Cancer Council of NSW.

My Plan

Following Lifetime Care's introduction of 'My Plan', a customer-centric planning tool for people with serious injuries, we launched our own pilot. My Plan aims to provide people with more independence, and ensure their preferences and requirements are a priority. The app helps people plan for the things they want to do and achieve and includes a 'My Affairs' option to identify specific end-of-life needs (like palliative care preferences and arrangements) of participants with a malignant dust disease. My Plan will be available to all our customers in the 2018-19 financial year.

Dust Diseases medical screening service

Medical examinations for past or present workers who have been exposed to hazardous dust and may be eligible for compensation benefits are also available.

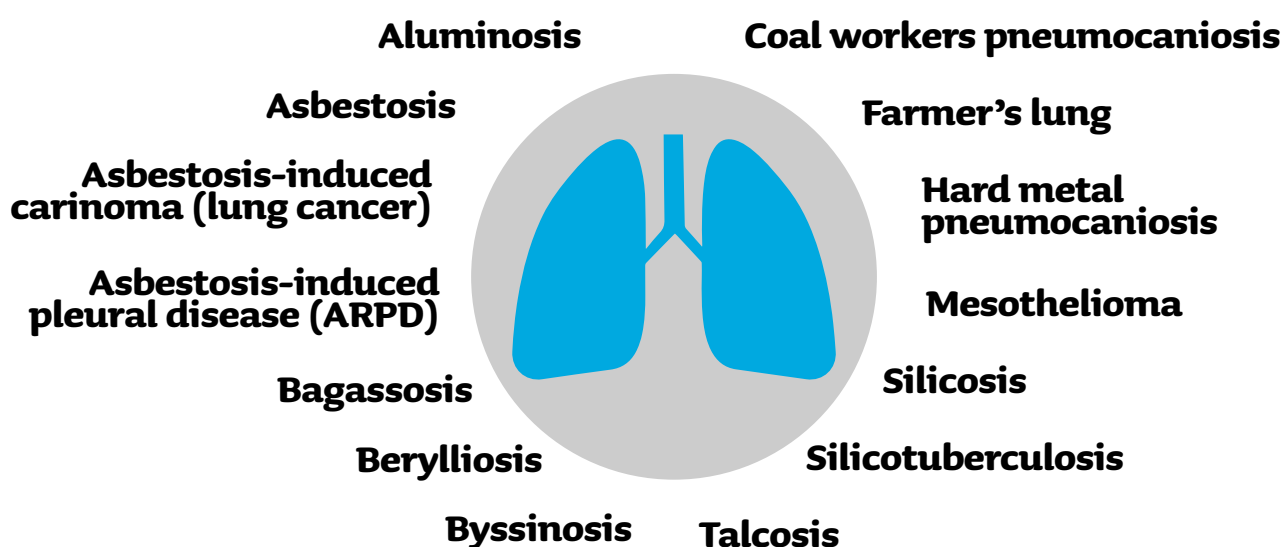
Since March 2016, workers have been offered a choice of service provider for their medical screening examination. Scheme participants can choose to attend a medical examination at the icare Dust Diseases Care medical centre located in the Sydney CBD, the icare Lung Screen mobile respiratory unit, through their regular treating respiratory physician, or through a recommended locally based provider.

We also provide Home Lung Function testing to workers who are unable to leave their home and travel to medical screening appointments due to their health, age or immobility. The program began in December 2016 and, as at 30 June 2018, a total of 46 home visits have been conducted. Two new cases of a compensable dust disease have been identified, and seven people have since been assessed with an increased level of disability and are now accessing additional benefits.

Medical assessment panel and support team

The Medical Assessment Panel determines if an applicant for compensation has a dust disease covered by the scheme, the extent of any disability and the level of occupational exposure as a worker in NSW. Panel members are respiratory physicians who specialise in occupational dust diseases. The three-person panel is a ministerial appointment and comprises a chairperson and one member each from employer and employee groups. In 2017-18, the panel met 35 times and considered 2,226 cases.

14 types of work-related dust diseases are covered by the scheme



Cases certified by the medical assessment panel by disease type

Date range	Mesothelioma	Asbestosis	ARPD	Asbestosis	Lung cancer	Silicosis	Other	Total
2013-14	140	21	71	14	18	9	3	276
2014-15	153	4	105	14	20	9	7	312
2015-16	139	30	66	15	20	9	10	289
2016-17	175	21	79	8	21	6	1	311
2017-18	174	32	68	15	27	8	0	324

Research and education

The Dust Diseases Care Research Grants program provides funding for discovery, translational research and infrastructure support into the causes, diagnosis, treatment and prevention of dust diseases, to reduce the risk of people developing a dust disease and optimise health and care outcomes. Fifteen grant applications were received in the 2017-18 round of funding, with successful applicants expected to be announced before the end of the current calendar year.

We also support several programs. The Scholarship and Fellowship program complements the Research Grants program in building research capacity and capability – the first two fellowships under this program were awarded in May 2018. The Support Organisation Funding program offers grants to not-for-profits, charity groups and organisations that support people with a dust disease and their families.



◀ **Mariso Negro**
Working at icare is very rewarding. It's the perfect place to put your skills, knowledge and heart towards helping people.

DDC's Lung Bus

A mobile screening service is available for employers whose workers are at risk of exposure to asbestos, crystalline silica and other hazardous substances. For a minimal cost, Dust Diseases Care makes it easier for NSW employers to comply with the Work Health and Safety Regulation 2011.

Employers can now have our mobile screening unit, the Lung Bus, visit their workplace or suburb, minimising disruption at work and saving on travel time. Health monitoring examinations can also take place at the Dust Diseases Care CBD-based medical centre or through an external medical provider.

In 2017-18 the Lung Bus provided respiratory health monitoring examinations to 3,662 workers at 71 locations across NSW. Another 436 workers were provided respiratory health monitoring examinations in the Sydney CBD and 97 workers underwent respiratory health monitoring provided by external providers on our behalf.

The Lung Bus also reaches regional NSW. A total of 326 workers based in Bega, Marulan, Marulan South, Dubbo, Broken Hill, Temora and Mudgee, in industries where exposure to asbestos, silica and other harmful dusts is a concern, were screened by Dust Diseases Care's respiratory health monitoring service. Overall, Dust Diseases Care screened 66 per cent more workers through our respiratory health monitoring service than in the previous financial year.



▲ icare's Lung Bus provides respiratory health monitoring to workers across NSW

Case study

Monika's story

My father was unfortunately diagnosed with a serious illness this year and much to our sadness passed within three months of this diagnosis.

As a result of his illness and our application to icare, Amanda Ellis was allocated as the case manager for my father's file. It was a very emotional and difficult time for us, particularly given the swiftness of my father's illness, while we navigated through the administrative guidelines to ensure we could provide him with everything he required.

Amanda provided exceptional support to my family. Her gentle and compassionate nature along with her regular contact comforted my family during this time. We felt lucky to have Amanda as a contact point. She was always at the end of the phone when required, answering our queries and needs promptly and compassionately. With Amanda as the conduit between ourselves and icare, we felt that we were able to provide him with a greater level of support and care during this difficult period.

I wanted to ensure that you were aware of how much our family appreciated Amanda's contribution.



Home Building Compensation Fund

The Home Building Compensation Fund (HBCF) protects homeowners from incomplete or defective residential building work and where a builder becomes insolvent, dies or disappears. We also undertake risk management for construction businesses to assess financial stability, assist builders with project-specific insurance and help homeowners to get the finished homes they paid for.

Highlights for 2017-18

In 2017-18, HBCF received 307 claims (excluding notifications), while payments made to or on behalf of claimants totalled \$53.8 million. We consolidated our network of distributors with specialist product expertise from 117 to 24 to deliver a better outcome for our customers. And with the introduction of our online self-service portal launched in 2017, there are now 1,888 builders across NSW managing their insurance at a time convenient to them.

Appointment of a new Eligibility Risk Manager

Previously, HBCF outsourced builder risk management services to QBE Insurance and Residential Builders Underwriting Agency. Following a review and assessment of operations, a competitive procurement process resulted in the appointment of Corporate Scorecard, a leading provider of risk assessment services in Australia, to provide risk management services to NSW builders.

The partnership will facilitate HBCF's long-term financial sustainability and aligns with the State Insurance Regulatory Authority's ongoing home-building compensation scheme reforms in NSW. Corporate Scorecard began providing risk management services on behalf of HBCF in December 2017.



Appointment of a new Claims Manager

Outsourced arrangements for claims management services were also revised and Gallagher Bassett has now been appointed as the new HBCF claims manager, providing claims management services to NSW homeowners. All open claims previously with QBE and RBUA were transitioned to Gallagher Bassett over a two-month period, and claims assessment, management and payment services began in October 2017.

Premium changes

As announced during 2017, reforms to the Home Building Compensation Insurance Scheme have been implemented to ensure it maintains financial stability and continues to protect NSW homeowners now and into the future. The reforms included changes to premium rates, and these were implemented in April and October 2017.

Other initiatives have included the NSW Government's injection of funds to return the scheme to surplus, the removal of broker commissions and the introduction of risk-based premiums.

Risk-based premium pricing

Premium prices introduced in 2017 now better reflect builders' risk levels, resulting in high-risk builders paying a higher premium and lower-risk builders paying a lower premium. The final discount or loading will be a weighted outcome of all factors capped at either a 30 per cent discount or a 30 per cent loading impact.

The risk factors considered, and which were determined following an actuarial analysis of all insurers' claims since 2002, include entity structure (i.e. company, sole trader and individual); period the entity has been licensed; net tangible assets (adjusted); net profit before tax (or taxable income); adverse history; non-current reviews; participation in the Building Contract Review Program, and audited accounts.

New HBCF distributor panel

As reported last year and following a successful tender process in 2017, HBCF has established a panel of 24 distributors with specialist product expertise and resources to partner with icare to service licensed builders and contractors.

Approved distributors are mainly located in NSW as well as Victoria and Queensland and continue to be responsible for assisting builders and contractors to secure insurance eligibility. They also advocate on behalf of clients to our Eligibility Manager and issue insurance certificates to builders to pass on to homeowners.

Since 2017, the number of builders using the builder self-service portal has increased significantly. To improve the customer service experience, a Distribution and Customer Support Team has been established to respond to queries from builders, distributors and homeowners. The team also provides technical systems support for users of our online portal.



BIG Corp update

The Building Insurers' Guarantee Corporation (BIG Corp) is a statutory body administered by icare. BIG Corp and the BIG Fund were established on 30 June 2001 as the Government's rescue package for consumers of insured residential builders affected by the financial collapse of HIH Casualty and General Insurance Limited and FAI General Insurance Company Limited in March 2001.

To date BIG Corp has paid over \$303 million in claims payments and associated assessment and administration costs. Over the 2017-2018 financial year, there were two claim payments totalling \$12.1 million. The number of current claims as at 30 June 2018 is seven, and there were no new claims.

While seven claims remain current as at 30 June 2018, two of those remain open pending payment of final invoices for BIG Corp's consultant and legal costs. No further indemnity is payable by BIG Corp for these claims.



▶ To date BIG Corp has paid over \$303 million in claims payments and associated costs.



Sporting Injuries

Sporting Injuries insurance provides insurance and care services for 125 sports organisations in NSW under the Sporting Injuries Insurance Act 1978

Our no-fault scheme insures participants and sporting officials against serious injuries such as permanent loss affecting a participant's arms, legs, sight, hearing or mental capacity. The scheme does not cover minor injuries like breaks, sprains, abrasions, cuts and bruises, or dental injuries.

The not-for-profit scheme is funded solely from the premiums paid by member organisations, with membership open to any sporting organisation. The scheme also educates members about the importance of having a risk management framework that includes injury prevention and advocates best-practice frameworks.

During 2017-18, 10 new claims were received under the scheme. In total eight claims were settled at a cost of \$632,137 which includes claims made within previous financial years and settled in 2017-18.

Sporting Injuries insurance also provides claims management services for the Supplementary Sporting Injuries Scheme on behalf of Insurance for NSW. The Supplementary Scheme protects all NSW school children who are seriously injured while participating in organised school sport or authorised activities and those injured while participating in certain programs of activity conducted or sanctioned by the Office of Sport.

This year the scheme did not pay out any claims and no new claims were received.



▲ **Nathan Agius**
At icare I can help protect and develop the NSW economy and infrastructure.

Our people

We're dedicated to making icare a great place to work

icare's ambition has always been to make our insurance and care services exceptional but we can only do this with the right team – a team that's passionate about making a difference in our community.

In 2017-18 we continued to focus on attracting talent and building the capabilities of our people to ensure we are well positioned to meet our customers' needs, now and into the future. This mindset is the mainstay of our strategy – the right people, in the right roles, with the right focus to deliver the best outcomes. We remain confident it will continue to serve us well into the future.

Our People Strategy reflects the importance of 'people at the centre of everything we do' through four key deliverables: leadership capability, our people's experience, ways of working and people capability.

This year, we refreshed our People Strategy to ensure it was delivering on our vision to 'make icare a great place to work to achieve great things for our customers'.

Listening to our people

Employee NPS

Our employee net promoter score (eNPS) of +44 (a workplace-wide survey measuring employee engagement) for Q4 2017-18 clearly demonstrates that we are developing a highly engaged, capable and adaptable workforce that will meet our evolving needs. To date, we have seen an increase in the overall score from +11 in March 2017 to +25 in December.

People Matter employee survey

Feedback from our employees is an important input into the development of our strategy and initiatives. In addition to our employee net promoter score surveys, this year icare participated in the NSW's Public Service Commission's annual People Matter employee survey, which is open to all employees across the NSW government sector. We had a 64 per cent response rate, with an engagement score of 76 per cent. This figure is a 10-point increase on the average public sector score; however, two points down on our results from last year. Factors which may have influenced the slight decline is our larger workforce including a number of permanent employees and contingent workers who were able to undertake the survey.

Key drivers of engagement compared to last year are shown below.

		% agreement 2018	% agreement 2017	% agreement public sector
1	I feel that senior managers listen to employees	61	68	43
2	I feel that change is managed well in my organisation	49	60	40
3	My organisation focuses on improving the work we do	89	90	69
4	My organisation is committed to developing its employees	69	75	52
5	I feel that senior managers model the values of my organisation	68	76	50
6	My organisation is making the necessary improvements to meet future challenges	79	84	57

Leadership development

We have continued rolling out our two-year leadership strategy, which is focused on building an agile workforce and a distributed leadership capability, where everyone is confident and empowered to lead.

Leveraging best-practice industry knowledge with capabilities developed for organisations undergoing complex change, our leadership development programs address unique needs for leaders at different levels of our organisation.

Our key programs include Agility, for managers and team leaders responsible for executing strategic plans and leading people through change. The Agility program has been recognised externally as a finalist in various leadership development and innovation awards and includes face-to-face modules and peer coaching.

Our Synergy program has been designed for senior leaders responsible for business unit strategy and leadership and includes coaching as well as immersion experiences.

Synergy includes pre-program coaching, a one-day immersion course, a two-day leadership retreat, post-program coaching and a follow-up workshop. Last year 15 leaders completed the program, with another 15 participating this year.

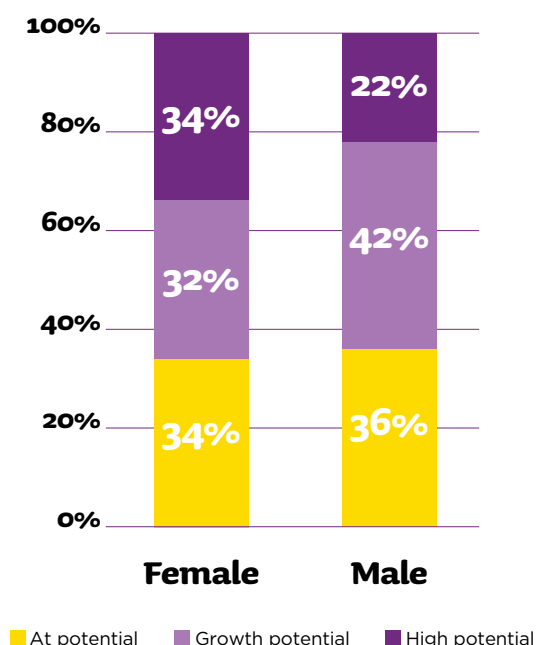
We have also run a number of executive masterclasses. Part of our talent review process with INSEAD Business School, the classes focus on leadership capabilities – strategic thinking, leading transformational change and commercial acumen.

These initiatives have resulted in many of our leaders extending their executive education on strategic themes important to the changing face of insurance and care.

Talent

Our biannual talent review for senior leaders includes identifying potential and measuring individuals' capacity to fill pending or future talent needs. The graph below demonstrates icare's strong female leadership pipeline where, on average, a greater proportion of female senior leaders rated as high potential, while a greater proportion of males rated as growth or at potential.

FY2017-18 Leadership pipeline



Graduate program

icare's Graduate Program is designed to attract and accelerate graduates from diverse academic backgrounds for future leadership positions. To complement this experience-based learning, their leadership development program includes workshops, individual and group coaching and team development activities.

People capability

Learning and development

We continue to support our peoples' personal and professional goals through our learning and development programs. The icare Academy, accessible to all employees, features 25 training programs on customer excellence, communication and collaboration, managing self and others, commercial acumen and innovation and change.

E-learning opportunities are also available through our partnerships with LinkedIn Learning and Harvard ManageMentor®, giving all employees access to on-demand management training and icare essentials modules.

The icare Essentials program provides clarity on workplace expectations and policies through a suite of e-learning modules focused on compliance and policy, and technical training across our three core business units, Workers Insurance, Insurance for NSW and Integrated Care.

We also offer Challenging Interactions, an online course to help staff manage sensitive interactions with vulnerable customers who may be experiencing secondary mental health issues due to injury.

Awards

icare has been recognised in the following Human Resources awards.

- Winner of the Australian Association of Graduate Employers for Most Innovative Marketing Campaign 2017.
- Winner of the Most Innovative HR Team 2018 by Human Resources Directory Australia.
- Finalist in the Best Graduate Development program by the Australian HR Awards 2018 with winner to be announced in September.
- Finalist in the Best Leadership Development program by the Australian HR Awards 2018 with winner to be announced in September.
- Number 3 in Australia's 2018 Top 75 Graduate Employers as voted by graduates.

▶ Chris Harnett

icare plays an important role enabling residential construction in NSW for both home owners and builders.





Diversity and inclusion

Through our commitment to diversity and inclusion, we're constantly looking for new ways to improve both our customers' and peoples' experience.

A number of diversity and inclusion activities were held throughout the year. We celebrated the 40th Sydney Gay and Lesbian Mardi Gras festival with a rainbow icare logo on our intranet. Our people were encouraged to share their stories of volunteering and participating during the festival and icare was active on social media, wishing everyone a safe and happy Mardi Gras. We also provided support to our people during the marriage equality survey enabling people to come together for the results announcement.

The theme for this year's International Women's Day, a global day celebrating the social, economic, cultural and political achievements of women, was #PressForProgress, a call to accelerate gender parity. With the World Economic Forum's 2017 Global Gender Gap Report finding gender parity over 200 years away, and with global activism for women's equality fuelled by movements like #MeToo, there is strong momentum to close the gap.

We held an "In Conversation with..." breakfast to celebrate International Women's Day. Four of our senior executives shared their experiences and perspectives on gender parity and representation, with the call to action for everyone to consider how they can contribute to making progress.

icare also hosted an Australian Network on Disability's roundtable, a national member-based, organisation providing support, training, knowledge and networking opportunities to help companies welcome people with disability in all aspects of business.

On ANZAC Day we asked our people to share stories in remembrance of all Australians who lost their lives in military operations at a special onsite event with proceeds and donations raised given to the 'Soldier On' charity.

► **Bernadette O'Regan**

I am part of a dedicated group of people who are truly passionate about making a difference to the NSW community.



Our multicultural initiatives

Over the last 12 months icare has continued to deliver on its Multicultural Plan with a number of key initiatives, events and celebrations

We have made our website available to those from multicultural backgrounds. Customers are now able to read content in 27 languages. New accessibility features include a screen reader service and an enhanced font selection that includes a typeface suitable for readers with dyslexia, plus text-size scaling, high contrast and night modes available for people with visual impairments.

Our Chinese New Year celebrations – our first multicultural event for the year – was a huge success and marked the third year we have participated in the largest Chinese New Year Dragon Boat Race in the southern hemisphere. Two teams from icare took part in the Darling Harbour festival in February.

We celebrated NAIDOC week this year with an Indigenous short film festival across our different offices. We also held an art walk for our employees to learn more about the Indigenous artwork we have leased and on display from Art Bank, which is a federal government support program.

Our people were encouraged to participate in Harmony Day in recognition of the many different cultures, background, languages and people who have chosen to make Australia their home, while Diwali was a hugely popular event at our Kent Street office as well as in celebrations at other offices.

Over the coming year we will continue to celebrate key multicultural events like NAIDOC week. We will also continue our focus on growing cultural awareness through education and training. We will ensure our technology and information remains compliant and is accessible to all. And we will focus on our internal networks and processes to help drive cultural diversity and inclusion across icare.

Workforce Diversity

Workforce diversity trends

Workforce diversity group	Benchmark target %	2018 %	2017 %	2016 %
Women	50	66.0	66.1	66.7
Aboriginal people and Torres Strait Islanders	2.6	0.8	1.5	0.6
People whose first language is other than English	19	24	20.5	7.2
People with a disability	N/A	5.2	7.4	2.2
People with a disability needing work-related adjustments	1.5	1.2	2.2	1.2

Distribution of workforce diversity trends

Workforce diversity group	Benchmark target % ^{1,2}	2018 %	2017 %	2016 %
Women	100	88	90	88
Aboriginal people and Torres Strait Islanders	100	N/A	N/A	N/A
People whose first language is other than English	100	96	93	95
People with a disability	100	98	90	N/A
People with a disability needing work-related adjustments	100	N/A	N/A	N/A

Note 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.

Note 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.



◀ Rose Hogan

Working at icare allows me to be part of a team and organisation that's committed to improving services for people with serious injuries. Every day I work with genuinely committed and professional colleagues and get to see the results of the service icare provides.

Our peoples' experience

Our holistic, whole-person approach informs many of our people strategy streams. Our aim is that the same person-centric approach and care we take with our customers will be mirrored internally in the experience of our people.

This approach recognises that people present to the workplace with unique needs, motivations and challenges. These could include parenting challenges, health issues or financial strains that don't stop simply because they come to work. We recognise the role we can play in providing support services and advice that may improve their outlook, and hopefully, their experience at work.

Some of the initiatives delivered this year included:

- Onsite flu vaccinations delivered in partnership with SMG Health to help protect our people and the community. Participation rates were significantly higher this year, with 57 per cent more people electing to receive vaccinations
- Our Employee Assistance Program, trialling on-site employee support through existing provider, Benestar. The free and confidential 'walk-in no bookings required' on-site service offers face-to-face counselling on issues which can be work related or of a personal nature
- New members being appointed to the Health and Safety Committee for the 2018-19 year. Thirteen employee representatives and eight employer representatives will work together to support and enable continuous WHS improvement at work, to safeguard our people's health, safety and wellbeing
- Steptember, an annual charity event run by the Cerebral Palsy Alliance that challenges people to take 10,000 steps a day for 28 days
- Promoting our employee appreciation and recognition initiatives. Being told you are appreciated can change someone's day and their approach to work. We are proud of our people's work, and to recognise those whose behaviours reflect our core values we created a new-look 'Wall of Fame' to showcase our winners. Award categories have been updated to align with icare's strategy and our people strategy and an 'icare Ambassador' award has been added for individuals or teams that model our values and help make icare a great place to work. The award ceremony is held annually in December.

Workplace injuries

icare is promoting a reporting culture, where incidents (including workers compensation claims) are encouraged.

For the 2017-18 period, there were 10 new accepted workers compensation claims. Of the 10 claims, eight returned to work within two weeks, with the average claim costing \$13,003.

Workers Compensation 2017-18	
No. of employees	698 FTE*
No. of claims	10
No. of claims per employee	0.01
Total cost of claims	\$130,028
Average cost of claims	\$13,003

*Based on estimate for policy year



▲ **Shrey Anand**
icare allows me to make a positive impact on peoples' lives in NSW and give back to the community that has given so much to me.

Performance and reward

Remuneration governance

Board	
Overall responsibility for the remuneration strategy. Reviews and, as appropriate, approves recommendations from the People and Remuneration Committee (PRC). Approves contractual arrangements for the CEO.	
People and Remuneration Committee	
<p>Reviews and recommends to the Board:</p> <ul style="list-style-type: none"> • Employee remuneration policy and framework • Incentive schemes • CEO and executive leadership remuneration packages • Organisation-wide performance objectives and measures • Performance objectives for the CEO and Group Leadership Team (GLT) 	<ul style="list-style-type: none"> • Approves Human Resources policies • Monitors development and implementation of Human Resources strategies • Reviews the executive succession planning framework • Monitors performance assessment processes and results for the CEO and direct reports • Assists with selection of senior executives as required
CEO and Managing Director	External advisors
<p>Makes recommendations to the PRC on:</p> <ul style="list-style-type: none"> • Direct reports' remuneration and performance objectives • Remuneration policy 	<p>Provide independent advice to the PRC on remuneration for the CEO and GLT</p>

Remuneration policy

Our remuneration policy has been designed to attract and retain the best people to deliver our strategic and operational objectives. The principles guiding our policy are designed to:

- support our strategic direction
- ensure a strong link between individual, team and organisational performances
- provide market-competitive remuneration and internal equity
- reward superior performance based on the achievement of objectives and assessment of the adherence to our values.

Remuneration components

icare's remuneration framework considers market relativities and performance. It comprises fixed remuneration, which includes superannuation, performance payment plans for selected employees and individual employment agreements.

We benchmark to the insurance industry, and to industry more broadly where appropriate, using Aon Hewitt remuneration surveys including the Insurance Industry Survey, the General Insurance Survey and, where required, specialist surveys such as the IT Survey. Note that fixed remuneration may be influenced by the criticality of the role and required experience.

The fixed remuneration policy is reviewed annually in line with market expectations and adjusted where the capability and performance of our people warrant an increase. The total annual increase does not exceed the increase approved by the NSW Government's Wages Policy Taskforce, which increased in 2017-18 for salary and salary-related expenses.

For employees on individual employment agreements, remuneration is reviewed each year. The overall movement in salaries for 2017-18 was approximately 2.4 per cent. There were no exceptional movements above 10 per cent.

Performance payments

Recommended annual performance payments are based on an assessment of employees' performance against their pre-agreed annual performance objectives. A balanced scorecard approach is taken which includes customer satisfaction, employee engagement, financial performance, community engagement and delivery of transformation initiatives. Performance outcomes are assessed against employees' demonstration of icare's values, their risk awareness and compliance.

All annual performance payments are discretionary and subject to the approval of the Board. Annual performance payments for members of the Group Leadership Team are recommended by the CEO for approval by the Board's People and Remuneration Committee (PRC). The CEO's performance is evaluated by the Chair of the Board and the PRC. Any recommended performance payment for the CEO is subject to endorsement by the PRC and approval by the Board.

A long-term performance payment scheme is applicable for a small number of senior executives to ensure continuity and delivery of our transformation initiatives. These payments are discretionary and subject to Board approval. The approved performance targets will be first tested and reviewed in 2018-19.

Measuring performance

Our balanced scorecard approach to measuring performance directly links performance to the delivery of the icare strategic plan and informs performance payments.

All members of the Group Leadership Team have performance objectives approved by the icare Board and the Chief Executive Officer. The Board and management also have a strong focus on employees' adherence to organisational values, their risk awareness and compliance. Performance outcomes may be moderated by their assessment of these factors.

The table below sets out the icare scorecard and outcomes for FY2017-18.

Objectives	Description	Results	Weighting %	Performance rating
CUSTOMER Customer advocacy	The Net Promoter Score (NPS) is an index ranging from -100 to 100 that measures the willingness of customers to recommend icare's products or services to others	High net promoter score achieved across the organisation	22.5	Exceeds
	Collaboration survey How the service line adds value, contributes to the shared purpose, shares knowledge, works as a team and helps others to deliver. This is measured by the Collaboration Survey	Collaboration Survey result was 60, a positive sign indicating icare is working towards a collaborative culture		Meets
PEOPLE Employee net promoter score (eNPS)	The eNPS is a survey tool available to all at icare. Allows icare to measure employee sentiment and advocacy, along with suggestions on how icare can continuously improve	eNPS was a +35 which was a top quartile result when compared to financial services globally	22.5	Exceeds
TRANSFORMATION Efficient & effective delivery	The percentage of transformation milestones delivered against time and scope: <ul style="list-style-type: none"> 50% - Claims Nominal Insurer Single Platform releases 50% - Other deliverables 	More than 90% of initiatives were delivered during FY18	22.5	Meets
FINANCE Controllable expenditure	Controllable operational expenditure to budget	Controllable operational expenditure was under budget	22.5	Exceeds
COMMUNITY	Appropriate level of investment undertaken and in pipeline for future investments, developed in consultation with the business and in accordance with Foundation Strategy and Foundation GLT Committee	During 2017-18, the foundation provided \$7,015,397 in grants. Spent \$11.3M across over 40 investments, including 30 historical investments grandfathered into the portfolio. This includes 10 new investments approved since the foundation was created, 15 investments that have closed, and 25 active investments. A further \$11m has been committed into new investments out to 2021	10	Exceeds
Overall rating				Exceeds

Number of employees

Category	30 June 2018	30 June 2017	30 June 2016
Chief Executive	1	1	1
Group Leadership Team	10	11	13
Executives ¹	45	43	41
Non-executives	726	605	425
Total	782²	660	480

1. 66% of employees are female; 45% of Executives and GLT are female.

2. Number represents total headcount

Numbers and remuneration of senior executives²

Band	Gender 30 June 2016		Gender 30 June 2017		Gender 30 June 2018		Range \$	Average remuneration 30 June 2018 \$	Average remuneration 30 June 2017 \$	Average remuneration 30 June 2016 \$
	F	M	F	M	F	M				
Band 4 ³	-	3	-	5	1	5	463,551+	613,314	703,112	706,333
Band 3	3	11	6	12	8	9	328,901 - 463,550	378,059	374,632	364,706
Band 2	8	8	6	4	11	7	261,451- 328,900	295,474	295,681	295,123
Band 1	7	15	8	14	5	10	183,300- 261,450	240,022	230,790	216,401
Total	18	37	20	35	25	31				

2. Senior executives consist of the Chief Executive, the Group Leadership Team and designated senior executives

3. Band 4 has been expanded to accommodate the remuneration of the incumbents of band 4.

Note that icare does not use the public service Senior Executive bands. Being outside the *Government Sector Employment Act*, our Board of Directors sets its remuneration policy. However if we were to align to these bands the outcomes are reflected above.

Employee-related expenditure

The percentage of total employee-related expenditure in the reporting year that relates to senior executives is 17.7 per cent. This represents 7.2 per cent of full time equivalent employees at year end.

- Our remuneration policy has been designed to attract and retain the best people.



Employment relations policies and practices

icare Policy Refresh Program

Since our inception icare has been working to refresh our suite of policies to ensure they better reflect our experiences. Policies which have been updated are:

- Code of Conduct and Ethics
- Disputes and Grievance Handling
- Work Health and Safety
- Managing Performance
- Managing Misconduct

The program has involved extensive consultation with our people, representative bodies and stakeholders and reflects best practice in employment policies and practices.

Consultative forums

Throughout 2017-18, the Joint Consultative Committee met to collaboratively discuss industrial concerns and other matters impacting our people.

Salaries and allowances

icare applied the NSW Wages Policy in making and varying the Insurance and Care NSW Award 2017 (the icare Award), which resulted in salary and allowance increases of 2.5 per cent.

Industrial Relations Commission of NSW

Apart from consent variations to the icare Award, no disputes or other matters have required the assistance of the Industrial Relations Commission of NSW.

► Julie Starley

icare is a truly customer-centric and purpose-driven organisation where everyone is aligned on why they come to work. Our DNA sums us up really well. We bring together the best of 'commercial mind, social heart' to deliver optimal outcomes for our customers.



icare in the community

As a social insurer we play a role in creating a community that keeps people safe, well and supported

icare foundation

The icare Foundation was established in 2016 with a mission to maximise the impact of our social investments, for icare participants and the people of NSW.

Foundation investments support three schemes – Lifetime Care, Workers Insurance and Insurance for NSW. Through targeted investments the Foundation seeks to prevent physical and psychological workplace injury, support recovery and return-to-work rates for injured workers and improve quality of life for the severely injured and their families.

Working collaboratively with partners, the Foundation tests and scales new approaches, leveraging the resources and expertise of the organisation to ensure investment decisions are informed and objective. Our investment pathways – research, seed and scale – reflect various levels of idea maturity and help guide investment decisions.

Our research pathway backs the search for answers, helps proven programs scale up and reaches more people across the state. We fund research to generate new insights that may lead to policy or practice changes and to support early-stage innovations with a strong hypothesis to test. We also provide funds to bring programs that have worked in other parts of the country, or around the world, to the people of NSW.

With \$100 million to invest over five years to 2021, to date we have:

- invested \$11.3 million in over 40 investments (including 30 historical investments grandfathered to the portfolio)
- committed a further \$11 million for new investments to 2021 – this includes 10 new investments approved since the Foundation was created, 15 investments are now closed and 25 active investments
- engaged over 130 participants in current programs and are reaching a further 14,000 through our support of the NSW Government's Get Healthy at Work program.

icare[™]
foundation
Investing in a new state of wellbeing

Looking ahead

Throughout 2018-19 we'll be engaging a range of partners through WorkUp, our \$5 million fund supporting return-to-work outcomes for injured workers. We expect to approve and contract further investments over the year aligned to specific icare strategies and will be aiming to set new benchmarks for innovative funding and collaborative partnerships.

We will measure our effectiveness by asking:

- Are we changing people's lives?
- Are we helping the system to operate more effectively?
- Are we saving the NSW community money?

To help answer those questions, we have outlined three high-impact initiatives undertaken by the Foundation that demonstrate how we're making a difference.



Vocational Intervention Program Stage 2

After successfully piloting phase one of the Vocational Intervention Program (VIP), the icare Foundation and Lifetime Care have again partnered with the NSW Agency for Clinical Intervention to deliver the second phase.

The program aims to increase employment for people in NSW living with acquired brain injury (ABI), and support their health and wellbeing. With a total investment of \$1.75 million over three years, the desired outcomes are to:

- ensure practical pathways to suitable employment are available to people with ABI in NSW
- place program participants into paid, sustainable employment
- measurably improve participants' quality of life by helping build their social networks, self-efficacy and self-esteem.

Our investment will focus on broadening the networks established in the pilot program by fostering effective collaboration between vocational rehabilitation (VR) providers and the 12 brain injury rehabilitation programs currently operating state-wide.

As well as working to provide sustainable work for people with ABI, the program seeks to improve the knowledge, understanding and skills of VR providers and clinicians. Working with employers, we will ensure providers understand the needs of people with ABI, and that participants are prepared for workplace participation with the right vocational skills. Ultimately, the investment will significantly contribute to improving support systems for people living with ABI and create broader economic benefits for the state by reducing health costs.



▲ Standing, Rick Martin, Chris Moran and Allison Reid, all from Equal Reality (Remarkable program graduates), and Nick Taylor, Senior Project Manager, icare.

Case Study

Remarkable

Remarkable's goal is to see accessible technology in the hands of people with disability. It provides early stage, disability-focused start-ups with seed funding, and the knowledge, skills and tools needed to become commercially viable enterprises via a 16-week accelerator program.

Participation and inclusion have been identified by one in five Australians with disability as the most significant human rights issue they face. The Remarkable program seeks to accelerate the development of new technologies for such people through a human-centred design program that directly involves them – icare customers will be contributing to and participating in prototype testing of products that will also include problem statements developed directly from their lived experience.

The icare Foundation is a principle partner of Remarkable, with \$1.5 million in funding over three years covering operational expenditure and program grants.

icare Group Executive, Don Ferguson, said social inclusion and community participation were critical issues facing people living with disability. "We believe technology can be a powerful force that supports inclusion and breaks down barriers faced by people with a disability. Our goal is to help accelerate technology from prototype into real inclusive technologies and improve quality of life."

Health and Community Engagement team

Injuries at work or on the road affect not only the injured person but also their family, friends and colleagues. Our social innovation projects encourage community collaboration and co-design of local solutions for local problems.

The Health and Community Engagement (HACE) team's work complements the work of the icare Foundation and focuses on addressing gaps in social connections as a practical way to prevent injury and improve sustainable return-to-work rates. Guided by our theme: 'Promote, preserve and restore connection', HACE creates community partnerships to help people return to work and life as soon as possible.

We aim to create sustainable social impact by working with health services, people living with injury, families, carers and people from Aboriginal and culturally-diverse communities, as well as academics, businesses, local government and service providers.

World-class research

Assisting world-class research, we have partnered with Griffith University on several research papers. One, a systematic review of the influence of social support and integration on return-to-work outcomes for people with work-related injuries, informs our Social Connections theory. From this, we have developed interventions such as the Social Support Inventory and Culture Tool to help retain social connections within the workplace.

The Social Support Inventory allows people with social support needs to be referred on to further support, resulting in better recovery and return-to-work rates, while the Culture Tool identifies predictors of poor workplace culture and supports organisations to foster stronger social connections.

To date, little work has been done to understand the importance of social connection in the work place, at home and in the community, and the impact of failed social connections on mental health within the workers compensation system. icare's programs, when implemented, will be a new approach to workers insurance.

Sustaining resilience at work

Through a partnership between icare, QBE, NSW Corrective Services, SERCO and March on Stress UK, the Sustaining Resilience at Work (StRaW) program began in May last year at Silverwater Correctional Centre. The peer-support practitioner program is a first for NSW and aims to assist organisations mitigate the impact of everyday stressors, at work and at home, on employee mental health.

Three training sessions were delivered to 48 frontline prison officers over six days. Volunteers were trained as 'peer mentors' to identify signs of stress and engage in appropriate responses, including support or referral to qualified health practitioners.

Feedback was very positive, with participants pleased that employers were taking proactive measures to support their wellbeing. In collaboration with Griffith University we're evaluating the training further to determine its influence on the wellbeing of mentors and workers.

Workplace resilience

We are helping create mentally healthy workplaces. In partnership with the Blueberry Institute, the University of Melbourne and ITW Residential Australia and New Zealand, a manufacturing company, we delivered a 12-month wellbeing and resilience training program to support managers, their work teams and ITW workplaces. Using a workplace and team approach, training workshops, supports and a toolkit of wellbeing resources were developed, to give managers the knowledge and skills to contribute to a safe and productive work culture. Following the program, improvements were seen in participation and engagement rates across the board. By contributing to the development of workplace health, organisations like ITW Residential are better able to support their employees' wellbeing.

NSW Mentally Healthy Workplaces Strategy

Social connection underpins positive work cultures, reduces risk of injury and supports those at risk of suffering a mental health issue. Significant evidence exists that healthy, happy employees provide businesses and the wider community with measurable social and economic benefits.

icare is investing \$15 million dollars towards the NSW Mentally Healthy Workplaces Strategy to strengthen the integration of positive social support with evidence-based mental health interventions. Among the initiatives is the development of a digital platform to reduce the onset and impact of mental health problems in small business. In collaboration with Everymind and the University of Technology Sydney, we're working to develop a geographic vulnerability mapping tool to identify and help reduce the risk of social isolation for injured workers and support for first responders. In addition, our Harvesting Health collaboration with the Banksia Project draws on evidence-based services to address mental health and wellbeing in rural NSW.

Through our promotion of mentally healthy workplaces, icare is striving to create better ways to protect, insure and care for the people and businesses of NSW.

Collaborating with communities

icare's philosophy is to be part of the conversation and invest in local initiatives. Through our Lifetime Care service, we're working to restore social connections in rural and regional areas, connecting with communities to co-design local solutions for local issues.

With the Dubbo and Tamworth communities we collaborated to develop accessible transport solutions for Lifetime Care participants, and people with disabilities and severe injuries. Among the ideas proposed was a centralised booking app for on-demand travel, utilising an agent to bring together existing transport options. With carer support on board, this option would allow drivers to provide tailored support for individuals with care needs.

Several ideas from the day are being developed, with successful ideas receiving business planning support and the opportunity to pitch to the icare Foundation for possible development. While this initiative is designed to support Lifetime care participants, the impact will also reach the wider community.

We also ran 'deep-dive' workshops in Newcastle, Parramatta and Orange. Together with icare's Mobile Engagement Team we engaged local employers, academics, injured workers and thought leaders to identify issues experienced by locals when dealing with the workers compensation system and explore ways to restore social connections for people injured at work.

◀ Social connection underpins positive work cultures and provides measureable social and economic benefits.



icare Paralympian Speakers Program

The icare Paralympian Speakers Program provides icare customers the opportunity to engage current and former Paralympians affected by a workplace injury.

Run in partnership with the Australian Paralympic Committee, the program is a unique way to raise awareness of workplace health and safety among employers and their teams. By sharing personal stories of their own workplace accidents, our speakers hope to educate others about the very real impact their injuries have had on their own lives, and on those of their families, friends and colleagues.

Over the financial year, our speakers engaged 115 icare customers and teams across NSW, contributing to community events focused on reducing injuries and encouraging safe workplace practices. A range of industries were engaged, including construction, transport and logistics, manufacturing, agriculture and mining, and we've received very positive feedback from icare customers and across media outlets.

Our speakers are passionate and share their stories to help those affected get back to their full potential. They personally demonstrate that workplace injuries can be overcome and, with support, that people can go on to contribute at work, at home or even internationally, as top performing athletes.

In June 2018, Growthbuilt, a design and construction company, developed their Site Safety Leadership Program, with site leadership teams a key part of the mix. Leadership teams work with clients and delivery partners to ensure Growthbuilt provides a safe workplace that protects the health and safety of workers and the community, and is also good for the environment.

We know that there's nothing more powerful in driving home the message of why we all want safe workplaces than real stories from people who have been affected by workplace injuries, and icare Paralympian Speakers Program features as part of Growthbuilt's Site Safety Leadership program.

icare Paralympian Speaker Nigel Smith attended a Growthbuilt Site Safety Leadership Workshop to speak about his incident, the affect it had on himself as well as his family, friends and colleagues, and how the incident could have been avoided.

Josh Maxwell, Head of HSE, Growthbuilt said, "Our site leadership teams were visibly moved by his story, with Nigel able to relate to why safety leadership is so critically important. I highly recommend all industries to consider the engagement of the program and the incredible people like Nigel, who can articulate the real human costs of serious workplace incidents and injuries".

Our focus for 2018-19 will be on growing the program and sharing its value and benefits with more icare customers, to ultimately reduce workplace injuries, increase return-to-work outcomes and assist with a greater understanding and awareness of workplace safety in NSW.



▲ **Nigel Smith**
Former Paralympian and
icare Paralympian Speakers
Program representative

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Appendix 01

Legislation

icare and Insurance for NSW

Principal legislation

State Insurance and Care Governance Act 2015
NSW Self Insurance Corporation Act 2004

Regulations

NSW Self Insurance Corporation Regulation 2015
State Insurance and Care Governance Regulation 2015

Amending legislation

Motor Accident Injuries Act 2017
Assented to 4.4.2017
Date of commencement of Sch 5, 1.12.2017, sec 1.2 and 2017 (638) LW 22.11.2017

Home Building Amendment (Compensation Reform) Act 2017
Assented to 27.6.2017
Date of commencement of Sch 2.6, 1.1.2018, sec 2 and 2017 (701) LW 15.12.2017

Workers Insurance

Principal legislation

Workers Compensation Act 1987
Workplace Injury Management and Workers Compensation Act 1998
Coal Industry Act 2001

Regulations

Workers Compensation Regulation 2016
Workers Compensation (Indexation of Amounts) Order 2013

Amending legislation

Coal Industry Amendment Act 2018 assented to 23.5.18 to commence 1.7.18. *The Coal Industry Act* was amended to extend the application of the Act with respect to Workers Compensation to all workers employed in or about a coal mine.

Workers Compensation (Indexation of Amounts) Amendment Order 2018 commenced 1.4.18
Motor Accident Injuries Act 2017

Assented to 4.4.2017.
Date of commencement of Sch 5, 1.12.2017, sec 1.2 and 2017 (638) LW 22.11.2017

Statute Law (Miscellaneous Provisions) Act 2017.
Assented to 1.6.2017.
Date of commencement of Sch 3, 7.7.2017, sec 2 (3).

Health Practitioner Regulation Amendment Act 2017
Assented to 24.10.2017.
Date of commencement of Sch 5.35, 8.1.2018, sec 2 and 2017 (666) LW 1.12.2017.

Coal Industry Amendment Act 2018
Assented to 23.5.2018.
Date of commencement, 1.7.2018, sec 2 and 2018 (362) LW 29.6.2018.

Miscellaneous Acts Amendment (Marriages) Act 2018
Assented to 15.6.2018.
Date of commencement, assent, sec 2.

Workers Compensation (Latest Index Number) Regulation (No 2) 2017. LW 15.9.2017.
Date of commencement, 1.10.2017, cl 2.

Health Practitioner Regulation Amendment Act 2017
Assented to 24.10.2017.
Date of commencement of Sch 5.36, 8.1.2018, sec 2 and 2017 (666) LW 1.12.2017.

Workers Compensation Amendment (Latest Index Number) Regulation 2018. LW 16.3.2018.
Date of commencement, 1.4.2018, cl 2.

Lifetime Care

Principal legislation

Motor Accidents (Lifetime Care and Support) Act 2006
Motor Accident Injuries Act 2017

Regulations

Motor Accidents (Lifetime Care and Support) Regulation 2015

Amending legislation

Miscellaneous Acts Amendment (Marriages) Act 2018
Statute Law (Miscellaneous Provisions) Act 2018

Dust Diseases

Principal legislation

Workers Compensation (Dust Diseases) Act 1942

Regulations

Workers Compensation (Dust Diseases) Regulation 2013

Amending Legislation

Miscellaneous Acts Amendment (Marriages) Act 2018
assented to 15 June 2018

HBCF and Building Insurers' Guarantee Corporation

Reforms to the home building compensation scheme commenced on 1 January 2018, through:

- the *Home Building Amendment (Compensation Reform) Act 2017*
- the *Home Building Amendment (Insurance and Alternative Indemnity Cover) Regulation 2017*
- six new Insurance Guidelines issued by the State Insurance Regulatory Authority (SIRA) under new guideline-making powers: eligibility, claims handling, premium, prudential, business plan and licence applications (SIRA is funded by levies on insurers and providers and draws on an Operational Fund to undertake its activities).

Under the reforms, there is a new Home Building Insurers Guarantee Fund in the event any insurer or provider becomes insolvent and cannot meet claims, while responsibility for the HBC Certificate Register (which tracks cover for properties across NSW) has transferred from icare to SIRA.

The reforms opened the NSW home building compensation (HBC) market to competition and created an option for 'split cover' to be issued. Competitors could be insurers or alternative

indemnity providers, for example, fidelity funds or other indemnity schemes, offering cover equivalent to the insurance, with SIRA licencing and regulating participants and key aspects of the insurance scheme. icare HBCF is licenced and operates in this environment.

The new option to split cover means that, instead of the existing consolidated policy, insurers/providers can choose to issue two different policies which cover two separate risks (non-completion losses and post-completion defects), with each current consolidated policy having the same maximum of \$340,000. icare does not currently offer split cover.

Further changes were made during the financial year as a result of concerns regarding combustible cladding, through:

- the *Building Products Safety Act 2017* which bans certain products and makes the use of banned products a major defect within the meaning of the *Home Building Act 1989*
- the *Home Building Amendment (Cladding) Regulation 2018*, which deems the use of cladding to be a major defect if it causes a threat to the safety of any occupants of the building in the event of a fire.

Sporting Injuries insurance

Principal Legislation

Sporting Injuries Insurance Act 1978

Regulations

Sporting Injuries Insurance Regulation 2014
Sporting Injuries Insurance Rule 1997

Amending legislation

Statute Law (Miscellaneous Provisions) Act (No 2) 2017
Assented to 23.11.2017.
Date of commencement of Sch 4.45, 14.1.2018, sec 2 (3).

Additional proceedings

The Workers Compensation Nominal Insurer was not party to any of these proceedings but they have scheme-wide impact.

1. Asbestos Injuries Compensation Fund Limited as Trustee for the Asbestos Industries Compensation Fund [2018] NSWSC 589

Mr Talifero commenced proceedings against Amaca Pty Ltd (Amaca) alleging that, as a result of his exposure to asbestos dust and fibre emanating from asbestos cement products manufactured by Amaca, he had contracted mesothelioma. His work history detailed exposure to asbestos dust and fibre while employed overseas in the United Kingdom.

On 11 December 2017, Judge Russell SC delivered his reasons in *David Talifero v Amaca Pty Ltd* [2017] NSWDDT 14 and also ordered judgment in favour of Mr Talifero against Amaca for \$560,482 plus costs.

The Asbestos Injuries Compensation Fund Limited (The Trustee) made an application for judicial advice to determine whether the Trustee would be justified in not paying so much of the damages awarded by Judge Russell SC as reflects the extent to which Mr Talifero was exposed to asbestos outside Australia. This involved construing the 2005 Act, the Trust Deed, and the Final Funding Agreement.

Justice Sackar held that the Trustee was only obliged to pay that part of the damages award that reflects the extent to which exposure to asbestos occurred within Australia.

2. South West Helicopters Pty Ltd v Stephenson [2017] NSWCA 312

The employer, Parkes Shire Council (the Council), engaged South West Helicopters Pty Ltd (South West) to conduct an aerial weed survey of an area for which the Council was responsible. Mr Stephenson and another employee of the Council accompanied the pilot to undertake the survey when their helicopter struck a power line and crashed killing all three occupants.

The trial judge held that both the Council and South West had breached the duty of care they owed to Mr Stephenson and apportioned 20 per cent of the liability to the Council, and 80 per cent to South West. The Court held that the Council was entitled to recover 80 per cent of the compensation it had paid from South West, despite finding the Council's negligence had also contributed to Mr Stephenson's death.

South West appealed in relation to the finding of apportionment and that the Council was entitled to recover its workers compensation payments from them. South West argued that s 151Z of the 1987 Act did not confer a right of indemnity in the employer if the employer itself was found to be partly liable for the worker's injury. The Court of Appeal upheld the appeal on both grounds and apportioned one-third liability to the Council and two-thirds to South West.

The Court of Appeal held that s 151Z(1)(d) of the 1987 Act does not confer a right of indemnity in circumstances where the employer is a tortfeasor. It only confers a right of indemnity in circumstances where the employer has no tortious liability to the worker.

3. Amaca Pty Ltd v Latz; Latz v Amaca Pty Ltd [2018] HCA 22

Mr Latz commenced proceedings against Amaca alleging that his exposure to asbestos dust and fibres between 1976 and 1977 caused his terminal malignant mesothelioma. Mr Latz's claim for damages for future economic loss included the loss of the aged pension and an employment-based superannuation pension. It was not in issue that mesothelioma would shorten Mr Latz's life expectancy by 16 years.

The trial judge awarded damages for future economic loss to include the aged pension and superannuation pension. Amaca appealed to the Supreme Court of South Australia, on grounds that the loss of aged pension and superannuation pension were not compensable losses. The Full Court of the Supreme Court upheld the trial judgment however confirmed Amaca's appeal that the award should be reduced by the value of the spouses' superannuation reversionary benefit.

Both Amaca and Mr Latz appealed to the High Court of Australia. The High Court unanimously dismissed Mr Latz's appeal and allowed Amaca's appeal in part, finding that the Supreme Court had erred in assessing damages to include the aged pension, but were correct to include the superannuation pension Mr Latz would have received for the remainder of his pre-mesothelioma life expectancy. The High Court upheld that any award should be reduced by the value of the superannuation reversionary benefit.

The High Court held that the loss of expectation of receiving the age pension is not a compensable loss. The majority considered that, unlike the superannuation pension, it is not a capital asset. It is not a result of, or intrinsically connected to, a person's capacity to earn and is not a form of property. An allowance for the loss of expectation of receiving the age pension should not have been included in Mr Latz's damages award.

Appendix 02

Government, Privacy and Health information applications

Health, Privacy and Personal information applications

In the course of carrying out its functions, icare collects, retains, stores, uses and discloses personal and health information about individuals on a daily basis. The *Privacy and Personal Information Protection Act 1998* (PPIP Act) and *Health Records and Information Privacy Act 2002* (HRIP Act), deal with how all NSW public sector agencies, including icare, must manage personal and health information.

All personal information held by icare is managed in accordance with NSW privacy legislation. This includes all types of records in any format such as documents (paper and electronic), data in business information systems and verbal decisions and objects (e.g. photographs, maps, evidence and samples).

Examples of the personal details of individuals with whom icare has contact includes names, dates of birth, residential addresses, driver's license details, financial details, bank account details, wage records, work history, medical certificates and health details. icare staff are guided in the management of personal and health information by the Privacy Management Plan, which is available on icare's web site.

icare has developed and continues to consider privacy issues in the development of systems, policies, procedures and guidelines, with particular emphasis on the collection and use of personal information and the development of best-practice systems.

icare continues to provide voluntary notifications to the NSW Privacy Commissioner of privacy-related matters that do not result in or involve an application for review of conduct, and of icare's responses to those matters.

icare did not receive any requests to amend records or requests for access to personal information under the PPIP Act in 2017-18. However, icare did receive six

access requests for information under the HRIP Act. No privacy matters were decided by the NSW Civil and Administrative Tribunal or investigated by the NSW Privacy Commissioner.

At an operational level, we continue to promote privacy through liaison and communication with employees and stakeholders.

In 2017-2018, two internal review applications made under the PPIP and HRIP Act were received by icare, with both managed by icare's Privacy Officer. In addition, four complaints were managed and resolved without recourse to a formal application.

During 2017-18, icare reviewed privacy practices across its service lines to create one icare privacy reporting stream. Internal consultation and further work is continuing to ensure this instrumental work endures. icare celebrated Privacy Awareness Week (PAW) with a range of activities, to remind employees to 'be privacy aware @ icare' which included: yammer updates (internal social media) providing privacy tips; a range of animated (screensavers and digital screens) reminding employees about the importance of keeping privacy front of mind and think privacy when completing day to day work; further resources released onto intranet and mandatory privacy awareness e-learning module released last year continues to be reinforced.

1. Review of proactive release program – clause 7(a)

icare is committed to ensuring the public's right to information meets the requirements of the *Government Information (Public Access) (GIPA) Act 2009* and that responses to other requests for information are handled effectively. icare is currently reviewing its programs to ensure that information which is in the public interest and assists people with access to services is made publicly available via the icare website. icare provides information about major plans and services to individuals, families and carers and service providers. Other information is also proactively released via the icare website; for example, policies, resources, factsheets, pamphlets, reports, plans, papers, newsletters and statistical information. icare is building a register of government contracts, as required by the GIPA Act. The register is expected to be made available in the 2018-19 financial year.

Number of access applications received - clause 7(b)

During 2017-18, icare received a total of 128 formal access applications (including withdrawn applications but excluding invalid applications).

2. Number of refused applications for Schedule 1 information - clause 7(c)

During the reporting period, icare refused a total of 31 access applications either wholly or in part because the information requested was information referred to in Schedule 1 to the GIPA Act. Of those applications, three were refused in full, and 28 were refused in part.

Statistical information about access applications - statistical information clause 7(d) and Schedule 2

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	1	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	1	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	12	41	1	4	0	1	0	0
Members of the public (other)	48	17	4	1	0	0	0	1

*More than one decision can be made regarding a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	52	58	5	4	0	1	0	1
Access applications (other than personal information applications)	8	2	0	1	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A **personal information application** is an access application for personal information (as defined in cl. 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

PLEASE NOTE: The total number of decisions in Table B should be the same as Table A.

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (s. 41 of the Act)	30
Application is for excluded information of the agency (s. 43 of the Act)	0
Application contravenes restraint order (s. 110 of the Act)	0
Total number of invalid applications received	30
Invalid applications that subsequently became valid applications	14

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

	Number of times consideration used*
Overriding secrecy laws	2
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	29
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

*More than one public interest consideration may apply regarding 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.

Table E: Other public interest considerations against disclosure: matters listed in table to s. 14 of the Act

	Number of occasions when application not successful
Responsible and effective government	3
Law enforcement and security	0
Individual rights, judicial processes and natural justice	32
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	113
Decided after 35 days (by agreement with applicant)	2
Not decided within time (deemed refusal)	0
Total	115

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

	Decision varied	Decision upheld	Total
Internal review	0	1	1
Review by Information Commissioner*	0	0	0
Internal review following recommendation under s. 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	1	1

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

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	2
Applications by persons to whom information the subject of access application relates (see s. 54 of the Act)	1

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

	Number of applications transferred
Agency initiated transfers	1
Applicant initiated transfers	0

Appendix 03

Public interest disclosures

The icare Reporting Wrongdoing Policy came into effect 1 July 2016, which superseded the internal reporting policy of the former entities. Awareness activities within the current public interest disclosures period (1 July 2017 to 30 June 2018) included:

- continued publication of the Reporting Wrongdoing Policy on icare's intranet – HUGO
- continued maintenance of icare essentials – Fraud and Corruption Awareness online training module to support the Reporting Wrongdoing Policy.

Report to the NSW Ombudsman Submitted on 30 July 2018 Reporting period Jan - Jun 2018			
	Made by public officials performing their day-to-day functions	Under a statutory or other legal obligation	All other PIDs
No of public officials who made public interest disclosures to your public authority	1	0	2
No of public interest disclosure received by your public authority	1	0	2
Of public interest disclosures received, how many were primarily about:	1	0	2
Corrupt conduct	0	0	0
Maladministration	1	0	2
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
No of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period	0		
Have you established an internal reporting policy?	Yes		
Has the head of your public authority taken action to meet their staff awareness obligations?	Yes		
If so, please select how staff have been made aware	Training provided by your organisation, links on your intranet site, training provided to new staff during induction.		

Appendix 04



Response to significant matters raised in the outgoing audit report

There were no significant matters raised in the outgoing audit report.

Appendix 05

Accounts payable performance

Dust Diseases Care

Payments of Accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	4,562	715	0	0
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	109	44	26	22	17
Number accounts paid on time	109	44	26	22	17
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$12,749,736	\$4,305,916	\$2,790,292	\$4,169,288	\$1,484,240
Dollar amount of accounts paid on time	\$12,749,736	\$4,305,916	\$2,790,292	\$4,169,288	\$1,484,240
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0
Number of accounts paid	109	44	26	22	17

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018
Number of payments made	0	0
Number of accounts paid on time	0	
% accounts paid on time (based on number of accounts)	0%	0%
Dollar amount of accounts due for payment	\$0	\$0
Dollar amount of accounts paid on time	\$0	
% of accounts paid on time (based on \$)	0%	0%
Number of payments for interest on overdue accounts	0	0
Interest paid on overdue accounts	\$0	\$0
Interest paid on late accounts (\$)	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-
Interest paid to small businesses on late accounts (\$)	-	-

Lifetime Care accounts payable performance

Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter	March quarter	Dec. quarter	Sept. quarter
Current	\$643,999	\$1,333,015	\$14,575	\$0
<30 days overdue	\$0	\$0	\$0	\$0
>30 & <60 days overdue	\$0	\$0	\$0	\$0
>60 days & <90 days	\$0	\$0	\$0	\$0
90 days & over	\$0	\$0	\$0	\$0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	174	70	46	32	26
Number accounts paid on time	171	67	46	32	26
% accounts paid on time (based on number of accounts)	98%	96%	100%	100%	100%
Dollar amount of accounts due for payment	\$7,221,229	\$2,622,574	\$1,690,151	\$1,236,808	\$1,671,695
Dollar amount of accounts paid on time	\$7,220,896	\$2,622,241	\$1,690,151	\$1,236,808	\$1,671,695
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Please Note: Percentage difference between the number of accounts and the dollar value paid on time in FY2017-18, is due to rounding.

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018	May 2018
Number of payments made	3	0	3
Number of accounts paid on time	0		0
% accounts paid on time (based on number of accounts)	0%	0%	0%
Dollar amount of accounts due for payment	\$334	\$0	\$334
Dollar amount of accounts paid on time	\$0		\$0
% of accounts paid on time (based on \$)	0%	0%	0%
Number of payments for interest on overdue accounts			
Interest paid on overdue accounts	\$0	\$0	\$0
Interest paid on late accounts (\$)	-	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-

Insurance for NSW accounts payable performance

Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	3,440,378	8,569,072	2,268,820	14,039,847
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	10,016	2,682	3,002	2,201	2,131
Number accounts paid on time	10,015	2,682	3,002	2,201	2,130
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$707,361,919	\$204,250,477	\$165,534,193	\$135,707,106	\$201,870,142
Dollar amount of accounts paid on time	\$707,361,647	\$204,250,477	\$165,534,193	\$135,707,106	\$201,869,870
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018	May 2018
Number of payments made	1	0	1
Number of accounts paid on time	0		0
% accounts paid on time (based on number of accounts)	0%	0%	0%
Dollar amount of accounts due for payment	\$273	\$0	\$273
Dollar amount of accounts paid on time	\$0		\$0
% of accounts paid on time (based on \$)	0%	0%	0%
Number of payments for interest on overdue accounts	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0
Interest paid on late accounts (\$)	-	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-

Sporting Injuries accounts payable performance

Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	0	0	0	171,000
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	24	6	4	7	7
Number accounts paid on time	24	6	4	7	7
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$714,660	\$68,795	\$180,665	\$19,969	\$445,232
Dollar amount of accounts paid on time	\$714,660	\$68,795	\$180,665	\$19,969	\$445,232
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018	May 2018
Number of payments made	1	0	1
Number of accounts paid on time	0		0
% accounts paid on time (based on number of accounts)	0%	0%	0%
Dollar amount of accounts due for payment	\$0	\$0	\$0
Dollar amount of accounts paid on time	\$0		\$0
% of accounts paid on time (based on \$)	0%	0%	0%
Number of payments for interest on overdue accounts	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0
Interest paid on late accounts (\$)	-	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-

Workers Insurance accounts payable performance
Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	3,359,588	13,276,796	4,218,981	6,021,996
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	6,565	1,938	2,295	1,601	731
Number accounts paid on time	6,565	1,938	2,295	1,601	731
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$547,638,150	\$135,913,329	\$147,802,658	\$138,116,853	\$125,805,310
Dollar amount of accounts paid on time	\$547,638,150	\$135,913,329	\$147,802,658	\$138,116,853	\$125,805,310
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018	May 2018
Number of payments made	0	0	0
Number of accounts paid on time	0		0
% accounts paid on time (based on number of accounts)	0%	0%	0%
Dollar amount of accounts due for payment	\$0	\$0	\$0
Dollar amount of accounts paid on time	\$0		\$0
% of accounts paid on time (based on \$)	0%	0%	0%
Number of payments for interest on overdue accounts	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0
Interest paid on late accounts (\$)	-	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-	-
Interest paid to small businesses on late accounts (\$)	-	-	-

BigCorp accounts payable performance

Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	0	0	0	0
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	26	2	7	6	11
Number accounts paid on time	26	2	7	6	11
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$12,289,325	\$14,580	\$8,128,595	\$21,887	\$4,124,262
Dollar amount of accounts paid on time	\$12,289,325	\$14,580	\$8,128,595	\$21,887	\$4,124,262
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018
Number of payments made	0	0
Number of accounts paid on time	0	
% accounts paid on time (based on number of accounts)	0%	0%
Dollar amount of accounts due for payment	\$0	\$0
Dollar amount of accounts paid on time	\$0	
% of accounts paid on time (based on \$)	0%	0%
Number of payments for interest on overdue accounts	0	0
Interest paid on overdue accounts	\$0	\$0
Interest paid on late accounts (\$)	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-
Interest paid to small businesses on late accounts (\$)	-	-

Treasury Managed Fund – IfNSW accounts payable performance

Payments of accounts - All suppliers

Amounts outstanding to suppliers at the end of month were:

2017-18	June quarter \$	March quarter \$	Dec. quarter \$	Sept. quarter \$
Current	342,347	546,115	158,943	3,640,457
<30 days overdue	0	0	0	0
>30 & <60 days overdue	0	0	0	0
>60 days & <90 days	0	0	0	0
90 days & over	0	0	0	0

Amounts paid to suppliers at the end of the month were:

2017-18	2017-18 total	June quarter	March quarter	Dec. quarter	Sept. quarter
Number of accounts paid	830	276	238	179	137
Number accounts paid on time	830	276	238	179	137
% accounts paid on time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$107,113,569	\$17,143,512	\$19,511,434	\$19,783,240	\$50,675,382
Dollar amount of accounts paid on time	\$107,113,569	\$17,143,512	\$19,511,434	\$19,783,240	\$50,675,382
% of accounts paid on time (based on \$)	100%	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0	0
Interest paid on overdue accounts	\$0	\$0	\$0	\$0	\$0

Payments of accounts - Small business suppliers

Amounts paid to identified small business suppliers at the end of each month were:

2017-18	2017-18 total	June 2018
Number of payments made	0	0
Number of accounts paid on time	0	
% accounts paid on time (based on number of accounts)	0%	0%
Dollar amount of accounts due for payment	\$0	\$0
Dollar amount of accounts paid on time	\$0	
% of accounts paid on time (based on \$)	0%	0%
Number of payments for interest on overdue accounts	0	0
Interest paid on overdue accounts	\$0	\$0
Interest paid on late accounts (\$)	-	-
Number of payments to small business for interest on overdue accounts (#)	-	-
Interest paid to small businesses on late accounts (\$)	-	-

Appendix o6

Insurance activities to protect NSW government agencies

icare's insurance premiums for 2017-18 totalled \$406,855 across workers compensation, property, liability, motor and miscellaneous.

Appendix o7

Overseas travel

Person travelling	Date	Location	Purpose	Cost (\$)
Geoff Henderson	May 18	Singapore/London	Renewal of TMF reinsurance.	11,178
Tim Plant	May 18	Singapore/London	Renewal of TMF reinsurance.	10,842
Gavin Pearce	Oct 17	Dallas, Texas	Guest presenter at RSA Change Conference.	Paid by RSA Change.
Phoung Yarnng	Nov 17	Las Vegas	Guidewire Connections Conference.	18,614
Tara Moore	Nov 17	Las Vegas	Guidewire Connections Conference.	18,614
Stuart Bremner	Nov 17	Las Vegas	Guidewire Connections Conference.	Paid by Guidewire
Total				59,248

Appendix o8

Land disposal

icare and its service lines have not disposed of any land in the reporting period.

Appendix o9

Publication notices

The 2017-18 icare annual report was produced in-house and complies with Web Content Accessibility Guidelines 2.0, as per the Premier's Circular 2012-18 NSW Government Website Management.

A copy of the icare Annual Report 2017-18 can be downloaded from the icare website at icare.nsw.gov.au

Appendix 10

Consultants

Vendor	Description for reporting purposes	Vendor total \$
Price Waterhouse Coopers Consulting	Provide support to develop materials and facilitate Board Strategy Day 2017 across themes such as payments and artificial intelligence	515,742
Social Ventures Australia	Support the development of a strategy and plan for the icare Foundation	321,453
AT Kearney Australia Pty Ltd	Support the development and formulation of a strategy for the Business Enablement function	235,000
Price Waterhouse Coopers Consulting	Professional services to carry out detailed review and alignment of Insurance for NSW governance, policies and procedures with APRA prudential general insurance standards	155,000
Finity Consulting Pty Ltd	Services to analyse and develop the value proposition that Insurance for NSW provides to its client departments and agencies	120,887
Alphabeta Advisors Pty Ltd	Support the development of a detailed investment strategy for mental health and community initiatives for investment via icare foundation	98,500
Price Waterhouse Coopers	Development and formulation of strategy and associated documentation	80,000
Price Waterhouse Coopers	Support the Review of the 3 Lines of Defence model for the Workers Compensation Nominal Insurer	67,177
Total greater than \$50,000		1,920,123
Plus 68 consultants \$50,000 and under		
	Community engagement	212,051
	Facilities	38,950
	Finance and accounting/tax	66,700
	Information technology	9,427
	Legal	8,797
	Organisational review	0
	Human resources	178,785
Total less than \$50,000		505,283
Total consultants		2,425,406

icare actuarial fees 2017-18

Vendor	Description for reporting purposes	Vendor total \$
Finity Consulting Pty Ltd	Actuarial Services under contract for Workers Insurance and Insurance for NSW	2,402,850
Price Waterhouse Coopers Consulting	Actuarial Services under contract for Lifetime Care, Dust Disease Care, Peer Review and HBCF	2,107,162
Ernst & Young	Insurance for NSW contract work for actuarial services	1,736,481
Finity Consulting Pty Ltd	Actuarial Services under contract for S. 39 for both Workers Insurance and Insurance for NSW	731,522
Finity Consulting Pty Ltd	Workers Insurance Scheme Recharge	226,659
Finity Consulting Pty Ltd	Capital Management Framework advice for icare	62,984
Taylor Fry Consultants	Workers Insurance static claims triage model work	51,264
Total greater than \$50,000		7,318,921
Plus 7 consultants \$50,000 and under		
	Finance and accounting/tax	129,769
Total less than \$50,000		129,769
Total consultants		7,448,690

Consultants for schemes Insurance for NSW

Vendor	Description for reporting purposes	Vendor total \$
Deloitte Touche Tomatsu	Provide services for the design and risk assessment of the new business operating model (ifNSW transformation project)	1,056,973
Genesis Advisory Pty Ltd	Services for the design the new business operating model (Insurance for NSW transformation project)	280,286
Robert Walters Pty Ltd	Establishment of the new distribution panel tender; claim services tender and eligibility services tender	68,240
Total greater than \$50,000		1,405,499
Plus nine consultants \$50,000 and under		
	Information technology	39,295
	Organisational review	105,806
	Legal	35,070
Total less than \$50,000		180,172
Total consultants		1,585,671

Lifetime Care consultants 2017-18

Vendor	Description for reporting purposes	Vendor total \$
Genesis Advisory Pty Ltd	Support the development of a service delivery model and operating model for Integrated care	212,667
Price Waterhouse Coopers	Program governance	72,000
Total greater than \$50,000		1,284,667
Plus four consultants \$50,000 and under		
	Organisational review	75,944
Total less than \$50,000		75,944
Total consultants		360,611

Dust Diseases consultants 2017-18

Vendor	Description for reporting purposes	Vendor total \$
Total greater than \$50,000		0
Plus one consultants \$50,000 and under		
		1,000
Total consultants		1,000

Appendix 11

Grants

icare Foundation grants

Investment	Partner	FY2017-18 latest view \$	Nature and purpose
Accessible Arts Own Voice	Accessible Arts NSW	5,000	OWN VOICE is a project to establish and run nine autonomous community creative art groups for Lifetime Care and Support Scheme participants, people with brain injury and spinal cord injury and people with disability more generally within their local communities. The project format would be fortnightly or monthly scheduled meetings at accessible locations, providing social inclusion, networking, skills development, guest presentations, peer-reviewed arts practice and a place to share ideas and opportunities for professional development.
ACI Pain Pilot	NSW Agency for Clinical Innovation	502,758	The Pain Pilot is trialling an early intervention pain management model that encourages collaboration between pain clinics, employers, GPs and workers.
Acquired Brain Injuries	Macquarie University	27,000	Extension of an existing program of research aimed at developing an internet-delivered treatment program to support the mental health and cognitive functioning of Australians with three neurological conditions (Multiple Sclerosis, Epilepsy, Parkinson's Disease) to also include Australians with Acquired Brain Injuries (ABIs). Using a series of successive longitudinal, single-group, trials (n = 80 people with ABIs), the proposed project will develop an evidence base for an effective, acceptable and accessible treatment package that could be employed to develop a sustainable service for people with ABIs.
Addition of Evidence tips	The John Walsh Centre	4,000	The project proposes to add 60-80 evidence tips, resources and real-life scenarios to guide clinical practice within the physiotherapy modules contained on eLearnSCI. Recognising the need to disseminate information about the comprehensive management of Spinal Cord Injury the International Spinal Cord Society (ISCoS) took the initiative to develop elearnSCI.org, a web-based teaching and educational resource. The website's content has been informed by up-to-date SCI research and as such is of relevance to students, those new to the field of SCI and to SCI specialist practitioners.
Adult carer coaching	Carers NSW	208,636	Provision of support services to children, siblings and family carers of severely injured people, to increase their resilience, knowledge, connections and wellbeing.
Attendant care industry sector development	Attendant Care Industry Association	38,643	To deliver outcomes across a number of priority areas. The objectives are that: the attendant care industry is: efficient, high quality and responsive to changes in the community care environment; and aligned with relevant reforms associated with National Injury Insurance Scheme (NIIS), National Disability Insurance Scheme (NDIS) and Consumer Directed Care (CDC).
Back on Track	Australian Paralympic athletes	446,950	Partnering Australian Paralympic athletes with seriously injured young people (selected from icare's various care and support schemes) in a seven-month mentoring program that seeks to assist mentees on the recovery journey.
BIRP Transitional Living Program Forum 2017	Agency for Clinical Innovation (BIRP)	5,000	Providing funding support for the event delivery of the 2017 BIRP Transitional Living Unit Program Forum.
Burns and amputee exercises to PTX	JWCRR (NSLHD)	60,000	To add 120 exercises suitable for people with burns and amputations to the online exercise prescribing software (housed at www.physiotherapyexercises.com). www.physiotherapyexercises.com is a freely available website containing over 1,000 exercises appropriate for people with disabilities such as stroke, spinal cord injuries and traumatic brain injuries (see Appendix 1). The website is underpinned by sophisticated software that enables physiotherapists to search for appropriate exercises and then readily compile them into individualised home exercise programs for their patients.

Investment	Partner	FY2017-18 latest view \$	Nature and purpose
CANS Level 4 Project	The John Walsh Centre	19,980	The CANS is a key instrument used by the Lifetime Care and Support Authority and its actuaries to predict costs and value the scheme. This project will refine the CANS level 4 to create 2-3 sub categories and will test and validate the new categories. Scheme experience has shown that the vast majority of participants fall within the CANS level 4 range of care and support needs. That is, they have a support need that ranges anywhere from one hour a day up to 11 hours a day. By refining CANS level 4, this project will provide the LTCSA with more descriptive CANS data that will be used by scheme actuaries to provide more accurate costing of the scheme. It will also provide service providers and LTCSA staff with a more meaningful descriptor of participants' care and support needs for making recommendations and approving costs related to these.
Craig's Table	Craig's Table NSW	234,520	Establish the first injured workers social hub in NSW to create commercial and social value by supporting injured workers to re-connect to community and return to work. Based on a successful model in SA.
Digital innovation and small business mental health	Everymind (HIMH)	984,384	Co-design and deliver a user-friendly online hub for small businesses to increase access to evidence-based mental health prevention, wellbeing, treatment and peer-support programs.
Get Healthy at Work	NSW Ministry of Health	211,530	Funding for "Get Healthy at Work", a NSW Government initiative that aims to improve the health of working adults by giving businesses the tools, resources and support to address six health focus areas.
GP Social Prescribing	PCCS	471,853	Pilot a mechanism for linking patients with non-medical sources of support within the community.
In-Voc Spinal outreach service	Royal Rehabilitation Centre Sydney	435,395	With an aim to improve the return to work rates for people with a spinal cord injury, In-Voc is an inpatient early intervention vocational rehabilitation program run within the 3 spinal injury units in NSW hospitals, it is available to all in-patients regardless of current compensation status. This program is delivered by the NSW Spinal Outreach Service.
International Spinal Cord Injury Survey	University of Sydney (JWCRR)	100,000	The International SCI survey (InSCI) is a multi-national, cross-sectional community survey based on the International Classification of Functioning, Disability and Health Core Sets for SCI. The study was implemented in 2017, involving over 25 countries, recruiting adults (18 years or older) with SCI (traumatic or non-traumatic), who are living in the community and able to give informed consent. Analysis of the perceived lived experience (item responses to questionnaire) will be contrasted to system/societal variables. The overall objective of the InSCI survey is to describe and identify the determinants of levels of functioning, health and wellbeing of persons living with SCI within and across different countries.
Inclusive technology accelerator	Remarkable, Cerebral Palsy Alliance	512,000	Funding towards CPA's Remarkable accelerator program which works with early stage inclusive tech start-ups to incubate and accelerate their ideas to grow the capability of their business.
Invictus Games	St Johns	429,000	Support for the 2018 Invictus Games and the provision of first aid training services to volunteers, and defibrillators.
Neuromoves	SCIA	11,927	Establish a remote gym for individuals recovering from spinal cord injuries.
Predictors of Higher Cost - SCI	The John Walsh Centre	66,204	Phase Three of a multi-phased project, leveraging from the first two project phases which will have defined both current practice, and practice evidence benchmarks. Phase Three will (i) quantify the 'evidence-practice gap'; (ii) conduct a gap driver analysis to identify barriers or facilitators of the variability in clinical practice, and (iii) identify financial costs associated with deviation of care from agreed best practice standards.
Social Enterprise Hub	White Box	72,500	Scoping of a social enterprise hub called White Box designed to provide transitional and ongoing employment for injured workers.
TBIconneCT Intervention	University of Sydney	42,334	This study is a clinical trial comparing telehealth and in-person intervention for people with traumatic brain injury, using the TBIconneCT intervention.
The 200-Rep Trial	JWCRR (NSLHD)	25,000	The 200-Rep Trial: a study to determine the effectiveness of a physiotherapist intervention for increasing the strength of partially paralysed muscles following spinal cord injury.
The John Walsh Centre for Rehabilitation Research, Sydney University	The John Walsh Centre	408,207	A number of grants to provide core funding for the John Walsh Centre for Rehabilitation Research (JWCRR) fund; 120 exercises suitable for people with burns and amputations to the online exercise prescribing software; the International Spinal Cord injury Survey to describe and identify the determinants of levels of functioning, health and wellbeing of persons living with SCI within and across different countries; and improving care standards and costs.
The SCI Pain Course	Macquarie University	14,575	Develop and examine a low intensity internet and workbook delivered self- management treatment program, the SCI Pain Course, to reduce pain related disability, anxiety and depression.

Investment	Partner	FY2017-18 latest view \$	Nature and purpose
The Way Ahead	UNSW	67,043	Funding for "The Way Ahead" program which provides online support for families managing challenging behaviours. This project aims to adapt an existing on-line therapy program (This Way UP) designed to treat depression and anxiety to provide family carers of people with TBI specific strategies to deal with complex and challenging behaviour.
Vocational Intervention Program for people with TBI (Pilot)	Agency for Clinical Innovation (NSW Health)	23,958	The Vocational Intervention Program (VIP) is a vocational rehabilitation pilot program service being provided to support people with a traumatic brain injury (TBI) in addition to routine brain injury rehabilitation in Brain Injury Rehabilitation Program units in NSW. This program is delivered by the Spinal Outreach Service through Royal Rehab.
WSP NSW – Building Stronger Regions Project	Wheelchair Sports NSW	45,000	To increase participation in wheelchair sports across NSW, with a focus on regional NSW, over a two-year period.
WSP NSW – club facilities; temperature control	Wheelchair Sports NSW	2,000	To improve the Kevin Betts Stadium's offering to existing user-groups and increase usage (90% capacity) by engaging a wider cross-section of the community through the addition of a temperature control system. This will provide a safer and more comfortable environment for wheelchair sports participants.
Young carer support	Carers NSW	61,953	Provision of support services to children, siblings and family carers of severely injured people, to increase their resilience, knowledge, connections and wellbeing.
VIP - Phase 2	Agency for Clinical Innovation (ACI)	103,471	Expand implementation of the Vocational Intervention Program (VIP) as a collaboration between the NSW Brain Injury Rehabilitation Program (BIRP) and vocational providers for a further 3 years (2017 – 2020) and to develop pathways into employment for young people transitioning from school.
Workplace Mental Health for First Responders	UNSW, Black Dog Institute	360,000	Research into workplace mental health for first responders and development of initiatives and tools in this area.
Pitch In and misc. grant expenditure		414,179	Pitch In is crowd funding program open to grassroots organisations (with lower than \$5 million income per annum) operating innovative health and wellbeing programs in NSW. Their programs should prevent physical and psychological illness or treat and rehabilitate injured NSW employees or road users.
Subtotal at committed and completed		7,015,000	

Dust Diseases Care grants funding

Dust disease research grants - New grants approved by Dust Diseases Board and spent in 2017-18

Partner	2017-18 funding + GST \$	Purpose	Total grant inc. GST \$
Prof Richard Lake, University of Western Australia	81,400	The MexTag collaborative cross.	271,572
Prof Richard Lake, University of Western Australia	68,502	Analysis of T cell receptor diversity in animal models of mesothelioma.	274,010
Dr Yuen Cheng, Asbestos Diseases Research Institute		Stimulating the immune system to improve chemotherapy in malignant pleural mesothelioma.	330,000
Dr Alison McDonnell, University of Western Australia	76,866	Identifying the immune biomarkers of response to chemotherapy in malignant mesothelioma.	256,219
Dr Willem Lesterhuis, University of Western Australia	77,000	Aiming for the Achilles heel – discovering an effective drug against mesothelioma.	308,000
Prof YC Gary Lee, University of Western Australia	106,702	Australasian malignant pleural effusion (AMPLE) trial-3.	269,500

Dust disease research grants – spent in 2017-18

Partner	2017-18 funding + GST \$	Purpose	Total grant inc. GST \$
Dr Yuen Cheng, Asbestos Diseases Research Institute	70,675	Micromanaging microRNAs to treat malignant mesothelioma.	269,500
Prof YC Gary Lee, University of Western Australia	146,447	Phase II of the novel FGF-receptor antagonist in mesothelioma.	274,865
Dr Nick De Klerk, University of Western Australia (completed)	10,547	Lung cancer risk and screening guidelines after asbestos exposure.	210,000
Prof Jenette Creaney, University of Western Australia (completed)	27,500	Establishing the biological activity of malignant effusions in malignant pleural mesothelioma.	274,375
Prof Richard Lake, University of Western Australia (Completed)	8,567	Exploiting immune checkpoint blockade to generate effective therapy for malignant mesothelioma.	262,984

Dust Diseases Care funding – grants to support organisations

Partner	2017-18 funding + GST \$	Purpose	Total grant inc. GST \$
Asbestos Diseases Foundation of Australia	66,000	Assist in the referral of asbestos-related diseases victims and their families for appropriate medical and legal advice. Funds are used for office administration, the salary of the ADFA help line operator, development of brochures and information on the dangers and safe handling of asbestos. ADFA also operates a 24/7 helpline with a free 1800 number.	132,000
Asbestos Diseases Research Institute	78,028	To fund mesothelioma support co-ordinator roles who offer telephone support, face to face appointments, group support meetings and other events to provide information and education.	162,002
Bernie Banton Foundation		Support the BBF Awareness and Support Co-ordinator position, and to fund the development and administration of education and awareness resources such as brochures and other promotional media.	284,612

Dust Diseases Care Fellowship Projects

Partner	2017-18 funding + GST \$	Purpose	Total grant inc. GST \$
Dr Yik Lung Chan, University of Technology, Sydney		Can fibrosis in silicosis be reversed?	264,000
Dr Sally Lansley, University of Western Australia	88,000	Novel therapies for mesothelioma and malignant pleural effusion.	264,000

Dust Diseases Care - research commissioned

Partner	2017-18 funding + GST \$	Purpose	Total grant inc. GST \$
Dr Steven Kao, Asbestos Diseases Foundation of Australia	51,452	Retrospective evaluation of the use of pembrolizumab in malignant mesothelioma on the DDA Compassionate Access Scheme.	8,573

Accident advice support grant

As part of Lifetime Care and Support services, we provide a one-off accident advice support grant of up to \$6,000 for legal and accident investigation advice to help participants and their families obtain information about a motor accident or motor vehicle to support an application. The grant is offered only when expert

advice is required in relation to the circumstances of the accident or motor vehicle.

The grant was offered to four injured persons in the FY2017-18. No grants were paid out in the FY2017-18 financial year.

Appendix 12

Board and committee meetings

Director	Board of Directors Meeting		Audit and Risk Committee		Investment and Asset Committee		People, Remuneration Committee		Customer, Innovation and Technology Committee		Foundation Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Michael Carapiet (Chair)	10	10	-	-	8	8	4	4	-	-	-	-
Gavin Bell (Deputy Chair)	10	9	-	-	8	7	4	4	10	8	-	-
John Nagle (CEO from 01/02/2018)*	5	5	-	-	3	3	2	2	5	5	2	2
Elizabeth Carr	10	10	7	7	-	-	4	4	-	-	4	4
Peeyush Gupta	10	9	-	-	8	7	-	-	10	9	-	-
Mark Lennon	10	9	7	6	-	-	4	3	10	9	4	3
Lisa McIntyre	10	9	7	6	-	-	-	-	10	10	4	4
David Plumb	10	10	7	7	8	8	-	-	-	-	4	4
Christine Bartlett (appointed 15/02/18)	3	3	-	-	2	2	4	1	2	2	-	-
Vivek Bhatia (CEO until 31/1/2018)	5	5	-	-	5	5	4	2	5	5	2	2
Michael Pratt (Deputy Chair until 16/10/2017)	2	1	-	-	2	1	-	-	1	1	-	-

* Interim CEO and MD from 01/02/2018 and formally appointed 25/06/2018.

Dust Diseases Board

Member	Held	Attended
Gavin Bell (Chair)	4	4
Shay Deguara	4	4
Brian Eichhorn	4	3
Ryan Hoy	3	3
Sylvia Kidziak	4	2
Kate Minter	3	3
Ray Petty	4	4
Steve Robinson	4	4
Barry Robson	4	2
Rod Smith	4	4
Ken Takahashi*	3	1
Ben Kruse*	1	1
Susan Miles*	1	1
Vanessa Seagrove*	1	0

* New members appointed in FY2017-18

Member	Nominating Organisation
Chair	
Gavin Bell	icare Board member
Employer representatives	
Brian Eichhorn	Australian Federation of Employers and Industry
Sylvia Kidziak AM	NSW Business Chamber
Raymond Petty	Australian Industry Group
Employee representatives	
Ben Kruse*	Unions NSW
Steven James Robinson	Unions NSW
Vanessa Seagrove*	Unions NSW
Kate Minter**	Unions NSW
Shay Deguara**	Unions NSW
Victim support group representatives	
Barry Robson	Asbestos Diseases Foundation of Australia
Rod Smith	Bernie Banton Foundation
Research/academic group representative	
Ken Takahashi, Prof*	Asbestos Diseases Research Institute
Health professional representative	
Susan Miles, Dr*	Thoracic Society of Australia and New Zealand
Ryan Hoy, Dr*	Thoracic Society of Australia and New Zealand

*New members

**Former members

Appendix 13

Internal audit and risk management statement

Internal Audit and Risk Management Attestation Statement for the 2017-2018 Financial Year for Insurance and Care NSW

We, Michael Carapiet, Chair Insurance and Care NSW, and John Nagle, Chief Executive Officer, Insurance and Care NSW, are of the opinion that Insurance and Care NSW has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the Internal Audit and Risk Management Policy for the NSW Public Sector, specifically:

Core Requirements

Risk Management Framework

- | | |
|---|-----------|
| 1.1 The agency head is ultimately responsible and accountable for risk management in the agency | Compliant |
| 1.2 A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000 | Compliant |

Internal Audit

- | | |
|--|-----------|
| 2.1 An internal audit function has been established and maintained | Compliant |
| 2.2 The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing | Compliant |
| 2.3 The agency has an Internal Audit Charter that is consistent with the content of the 'model charter' | Compliant |

Audit and Risk Committee

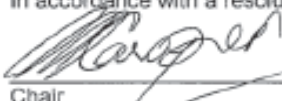
- | | |
|---|-----------|
| 3.1 An independent Audit and Risk Committee with appropriate expertise has been established | Compliant |
| 3.2 The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations | Compliant |
| 3.3 The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter' | Compliant |

Membership

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

- Independent Chair, David Plumb. Term: 26 October 2015 – 25 October 2018.
- Independent Member, Elizabeth Carr. Term: 26 October 2015 – 25 October 2018.
- Independent Member, Mark Lennon. Term: 26 October 2015 – 25 October 2018.
- Independent Member, Lisa McIntyre. Term: 26 October 2015 – 25 October 2018.

In accordance with a resolution of the Governing Board of the Statutory Body:


Chair
Insurance and Care, NSW


Chief Executive Officer
Insurance and Care, NSW

Date: 29/8/2018

Contact Officer: Gavin Pearce, Chief Risk Officer, Insurance and Care NSW, 321 Kent Street, NSW 2000

Appendix 14

Digital information and security attestation

As a NSW Government agency and statutory body listed in Schedule 2 of the *Public Finance and Audit Act 1983*, Insurance and Care NSW (icare) is required to prepare an annual Digital Information Security Attestation Statement in line with the core requirements of the NSW Government Digital Information Security Policy (DISP).

icare relied on information technology systems provided by the Department of Finance, Services and Innovation for the first half of the year, moving to icare's new information technology platform during the second half. icare adopts NSW Government information security requirements, including the NSW DISP and continues to invest in people, process and new technologies to build a sustainable cyber security capability that is expected of an Australian general insurer, a NSW government agency and by its customers.

Across the 2017-18 financial year, following a reprioritisation process of Information Technology (IT) security projects using a risk-based approach, formal certification to ISO 27001 information security standard for our core business systems are now anticipated to be completed by 31 December 2018.

Attestation

We, Michael Carapiet, Chair Insurance and Care NSW, and John Nagle, Chief Executive Officer Insurance and Care NSW, are of the opinion that icare continues to mature its Information Security Management System (ISMS) consistent with the relevant core requirements of the NSW Government Digital Information Security Policy. Moreover, icare submitted a DISP Maturity Progress Report on 28 February 2018 to the NSW Government Authorities.

Across the 2017-18 financial year, icare used information technology systems supplied by:

- Department of Finance, Service and Innovation, which are compliant via their independent ISMS attestation in accordance with the NSW Government's Digital Information Security Policy;
- Cloud providers which are compliant via their certifications under the Australian Signals Directorate's Certified Cloud Supplier List scheme;
- Cloud providers who have satisfied icare's security assurance checks, including certification under ISO 27001.

During 2017-18, icare also built and introduced new technology systems and continues to enhance these systems to support its core business. Controls are in place to mitigate identified risks to icare's digital information and information technology systems and these controls are compliant to the ISO 27001 Information technology - Security techniques - Information security management systems - Requirements. icare anticipates obtaining formal ISO 27001 certification by 31 December 2018 and through the certification process will have the control framework independently assessed and audited by an external certifying body to provide assurance.

In accordance with a resolution of the Governing Board of the Statutory Body:



Michael Carapiet
Chair, Insurance and Care NSW



John Nagle
Chief Executive Officer and Managing Director, Insurance and Care NSW

Appendix 15

Functional organisational chart

NSW Treasurer and Minister for Industrial Relations

The Hon. Dominic Perrottet, MP

Role of the Minister

- Appoint Board members
- May give written direction in relation to icare if they are satisfied it is necessary to do so in the public interest

Board of Directors

Chair

Michael Carapiet

Deputy Chair

Gavin Bell

Chief Executive Officer and Managing Director

John Nagle

Role of the Board

- Make all decisions relating to functions of icare
- Determine general policies for icare and give directions to CEO

Chief Executive Officer and Managing Director

John Nagle

Chief Actuary

Nick Allsop

Chief Risk Officer

Gavin Pearce

Interim Group Executive Workers Insurance

Elizabeth Uehling

Chief Operating Officer

Rob Craig

Group Executive Integrated Care

Don Ferguson

Chief People Officer

Blazenska Skender

General Counsel and Company Secretary

Catherine Morgan

Interim Chief Financial Officer

Terese Wood

Group Executive Insurance for NSW

Tim Plant

General Manager Transformation

Sara Kahlau

Chief Executive Officer

John Nagle

Group Executive Self Insurance Transformation

Steve Hunt

The following roles were in position during the 2017-18 financial year as follows: Vivek Bhatia, Chief Executive Officer 1 September 2015 – 31 January 2018; Greg Barnier, Chief People Officer 4 December 2015 – 13 December 2017; Megan Hancock, Chief Financial Officer 4 December 2015 – 2 March 2018.

Appendix 16

Consumer responses

Most complaints received by icare relate to individual claims or policies across the schemes that we operate. icare's Enterprise Complaints and Dispute Framework 2017 defines a complaint as 'any expression of dissatisfaction from an external source made to or about icare related to our products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required'.

icare is currently developing an integrated view of consumer responses across all our schemes. Future reporting periods will feature more comprehensive reporting as the complaints management process matures.

Workers Insurance

Complaints information is reported in relation to policies as well as claims. Complaints data for Workers Insurance claims began to be formally captured from January 2018 for claims and from April 2018 onwards for policies.

Total complaints Claims (January – June 18)	413 Top three complaint categories: 1. Communication 2. Cost, payment or benefit 3. Decision Average time to resolve (business days): 5
Total complaints Policies (April – June 18)	7,684 Top three complaint categories: 1. Process and policy management 2. Communication 3. Cost, payment or benefit NB: The final three months of the financial year represent the bulk of complaints for a typical year, as the majority of policy activity takes place towards financial year-end

Workers Insurance also provides long-term care and support to those with severe injuries under the Workers Care program.

During 2017-18 most complaints received about the Workers Care program were from participants and related to the level of service received from us and service providers, and to funding decisions.

Total complaints Level 1	21 Top three complaint categories: • Level of service – icare • Level of service – provider • Funding decision Average time to resolve (business days): 3
Total complaints Level 2	1 Average time to resolve (business days) 12

Insurance for NSW

Insurance for NSW policy holders' and claims complaints are dealt with through relevant scheme agents. icare currently holds no complaints data on Insurance for NSW.

Lifetime Care and Support

During 2017-18, there was a 20 per cent reduction in the number of Level 1 complaints received (194 in 2017-18 compared to 245 for 2016-2017). There was also a 13 per cent reduction in the number of escalated (level 2) complaints; from 23 (in 2016-2017) to 20 (in 2017-18). Most complaints received were from participants and related to the level of service received from us and service providers, and to funding decisions.

Frontline complaints were open for an average of two business days, while escalated complaints were open for an average of 22 business days. Escalated complaints should be resolved within 20 business days but may take slightly longer because they require investigation and action (such as requesting a response from a service provider). A full breakdown is provided below.

Total complaints Level 1	194 Top three complaint categories: <ul style="list-style-type: none"> • Level of service – icare • Level of service – provider • Funding decision Average time to resolve (business days) 2
Total complaints Level 2	20 Top three complaint categories: <ul style="list-style-type: none"> • Level of service – icare • Level of service – provider • Funding decision Average time to resolve (business days) 22

Lifetime Care service line makes decisions that can be disputed by participants. A dispute arises when a participant disagrees with a decision Lifetime Care have made. These disputes are about treatment and care needs; eligibility, and motor accident injury. In 2017-18 Lifetime Care:

- Made more than 16,500 funding decisions and received 17 disputes (less than 0.1 per cent of the total) about treatment and care needs. This was seven less disputes compared to 2016-17 and each dispute took an average of 46 business days to resolve.
- Made more than 220 eligibility decisions and received seven disputes (2 per cent of the total). This is three more disputes compared to 2017-18. It took an average of 150 days to resolve these disputes. Disputes about motor accident injury are legal disputes and are resolved by a panel of three legal professionals. No dispute applications were received in 2017-18.

Disputes about motor accident injury are legal disputes and are resolved by a panel of three legal professionals. No dispute applications were received in 2017-18.

Outcomes of eligibility disputes		Outcomes of treatment and care needs disputes	
Decision upheld	2	Decision upheld	8
Decision overturned	3	Decision overturned	3
Withdrawn	1	Decision varied	3
In progress	1	Withdrawn	1
Total	7	In progress	2

Dust Diseases Care

During 2017-18 most complaints received about the Dust Diseases Care related to the level of service received from us and service providers.

Frontline complaints were open for an average of seven business days, while escalated complaints were open for an average of 12 business days.

Total complaints Level 1	21 Top three complaint categories: <ul style="list-style-type: none">• Level of service – icare• Funding decision• Policy and Procedures Average time to resolve (business days) 7
Total complaints Level 2	2 Average time to resolve (business days) 12

Home Building Compensation Fund

There are currently no complaints data available for Home Building Compensation Fund (HBCF). Policy holders and claims complaints are currently dealt with through relevant scheme agents.

Sporting injuries

There are currently no complaints data available for Sporting Injuries.

External complaints management

The complaints data above does not include complaints lodged with the State Insurance Regulatory Authority (SIRA), the Workers Insurances Independent Review Office (WIRO) or those lodged with scheme agents, which are resolved directly without being raised with icare.

Appendix 17

Compliance with the NSW Carers (Recognition) Act 2010

icare values the importance of families and carers and is committed to their better recognition and support. Our organisation abides by the *NSW Carers (Recognition) Act 2010* and the legislation is included in our compliance management program. The Act is also displayed in all icare offices.

In the past year, our support for carers has been demonstrated through several initiatives.

- Representation on working groups and advisory committees, ongoing consultation with participants, families and carers to co-design new processes, policies and services.
- Funding initiatives that support families and carers of participants including The Carers Way Ahead, an online program that provides training to manage challenging behaviours, and the Strength-2-Strength program for family members of those who have sustained a spinal cord injury or traumatic brain injury.
- Expansion of the We Care program across icare service lines, providing support services to over 70 family members and carers referred to the program over the last twelve months.

icare also supports permanent employees who are carers by providing Carer's Leave which can be used in circumstances where someone they care for becomes ill or injured. Carer's Leave can include caring for children or the elderly.

We also provide permanent employees with Family and Community Services leave (2.5 days per year in the first and second years of employment and then one day each year thereafter) for any unplanned and emergency family responsibilities or other emergencies such as illness of a family member or cancellation of child care.

The Department of Family and Community Services recognised icare's work at a presentation delivered at the seventh International Carers Conference, with our implementation of the Carer's Recognition Act held up as an example of good practice.

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Insurance and Care NSW (icare)

October 2018

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Parramatta NSW 2150

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Wickham NSW 2293

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Hours of Operation

8:00am - 5:00pm
Monday to Friday
(except public holidays)

Phone

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HBCF
02 9216 3224

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1300 738 586

Insurance for NSW
02 9216 3829

Workers Insurance
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13 77 22 (claims)

Sporting Injuries insurance
13 44 22

A copy of this report is
available at
icare.nsw.gov.au





icare.nsw.gov.au