



Motor Accidents  
Authority



**REVIEW** PLAN ACT

# ANNUAL REPORT 2014/15

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# LETTER TO THE MINISTER

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22 October 2015

The Hon. Dominic Perrottet, MP  
Minister for Finance and Services  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Minister

In accordance with the *Annual Reports (Statutory Bodies) Act 1984*, we have pleasure in submitting for your information and presentation to Parliament, the Annual Report of the NSW Motor Accidents Authority (MAA) for the financial year ended 30 June 2015.

Despite improving affordability in Green Slip Prices over recent years, underlying upward pressure continues and the average Green Slip price in NSW in 2014/15 was \$542, an increase of 0.9 per cent on last year.

We received 15,822 injury notifications during the year with \$1.41 billion in benefits paid out by the Compulsory Third Party (CTP) Personal Injury Insurance Scheme for injuries sustained in previous years. Around 5.2 million cars required a Green Slip and a total of \$2.2 billion was collected in CTP premiums to cover accidents occurring this year.

Our agency continued its regulatory review program to improve the performance of the CTP Scheme and to achieve better customer outcomes.

Through extensive consultation, we progressed work to improve the accountability, transparency and consistency of insurer decision making in premium setting and claims management. We also rolled out revised premium pricing determination guidelines for insurers.

Our simplified motor accident personal injury claim form came into effect in January, making it easier and faster for people to lodge a claim. Our Claims Advisory Service directly connected around 1,300 people to an insurer claims officer under the Early Notification Protocol. We also commenced revisions to the Claims Handling Guidelines, emphasising insurer obligations to resolve claims faster, communicate better and expedite medical treatment.

In addition, we proudly continued our partnership with the NSW Centre for Road Safety and supported key elements of the NSW Statewide Road Safety Strategy 2012/2021.

The Motor Accidents Compensation Regulation 2015 commenced 1 April, with revisions to improve transparency of costs in the Scheme.

Since the conclusion of the reporting year, the MAA has been abolished and now forms part of the State Insurance Regulatory Authority (SIRA). I am confident that SIRA will continue its commitment to improve recovery outcomes for those injured in a motor vehicle accident and to keep premiums as low as possible for all NSW vehicle owners.

Yours Sincerely



Vivek Bhatia  
Former Chief Executive Officer  
Safety, Return to Work  
and Support

Letter to the Minister	2
Our Focus	4
Our Purpose	6
CEO Review	10
Safety, Return to Work and Support Board	12
Safety, Return to Work and Support Executive	14
Insure	18
Care	24
Protect	32
Our People	34
Internal Audit and Risk Management Statement	42
Digital Information Security Attestation Statement	43
Financial Statements for the year ended 30 June 2015	44
Budget and Estimates for 2015/16	71
Appendices	74
Index	86

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The Motor Accidents Authority of  
NSW 2014/15 Annual Report has  
been prepared in accordance with the  
*Annual Reports (Statutory Bodies)  
Act 1984* for the Hon. Dominic Francis  
Perrottet MP.

State Insurance Regulatory Authority  
(SIRA)  
Motor Accidents Insurance  
Regulation (MAIR)  
Level 25, 580 George St Sydney 2000

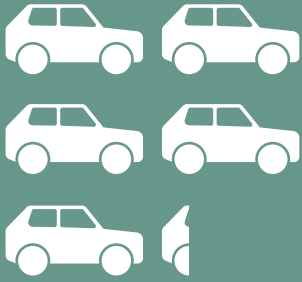
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A copy of this report is available at  
[maa.nsw.gov.au](http://maa.nsw.gov.au)



5.2  
Million cars required a  
green slip during 2014/15

Amount collected in premiums in 2014/15  
**\$2.2 BILLION\***

\*Excluding levies and GST

#### NOTIFICATIONS FINALISED IN 2014/15



15,643  
Finalised

\$136,280  
Average payment  
on full claims

#### 2013/14 AUDIT OF MCIS LEVIES

**\$1,400,000**  
additional levies recovered

**\$150,000**  
recovered in penalty interest

#### NOMINAL DEFENDANT CLAIMS

14% increase in 2014/15



Benefits paid through the scheme since 1999

**\$13.3 BILLION**

268 Health service  
providers  
trained

225 in workshops 43 online

Aim: Enhance service delivery to claimants



Permanent  
impairment  
dispute  
applications



6%

Treatment  
dispute  
applications



10%

Applications  
for further  
assessments



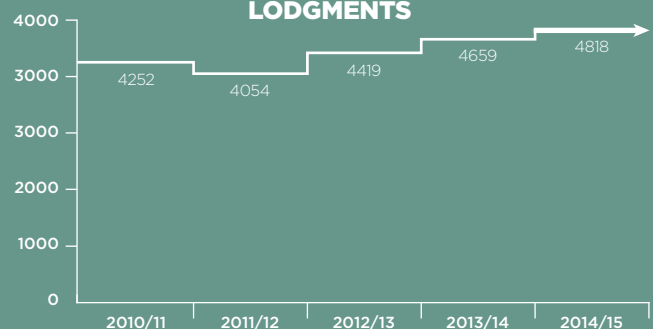
7%

Applications  
for review of  
a medical  
assessment



8%

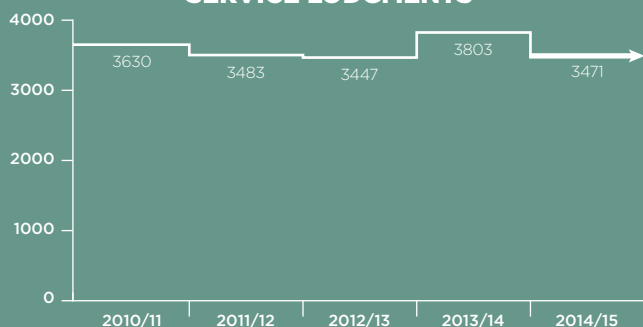
#### TOTAL MEDICAL ASSESSMENT SERVICE LODGMENTS



4,818  
LODGED

4,540  
FINALISED

## TOTAL CLAIMS ASSESSMENT AND RESOLUTION SERVICE LODGMENTS



3,471  
LODGED  
3,331  
FINALISED



2.9 million  
hits on the Green Slip calculator



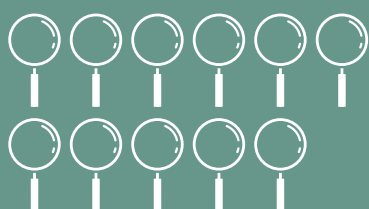
7,000  
calls to the Green Slip helpline

Claims Advisory Service handled



22,840

enquiries from injured people  
and service providers



109  
complaints against  
insurers received  
and investigated

AVERAGE GREEN SLIP AT 30 JUNE 2015\*

\$542 0.9% increase from  
June 30 2014

\*Average CTP for all passenger vehicles

## INJURY NOTIFICATIONS RECEIVED

15,822 10% increase  
on 2013/14



1,300

injured people were directly connected  
to an insurance claims officer

93% receiving early  
treatment

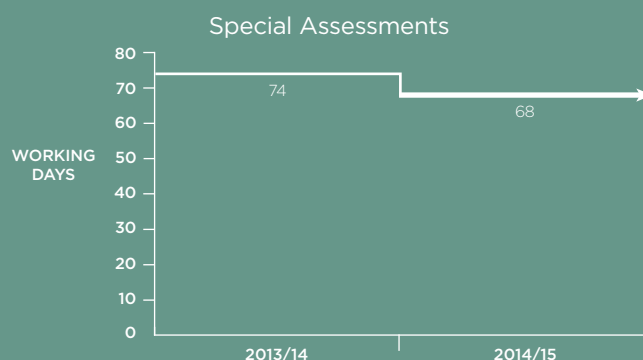
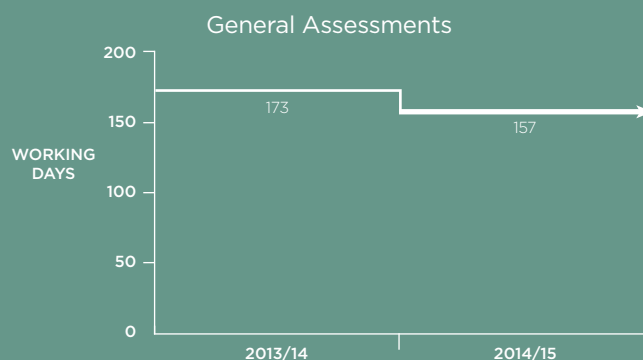
98% found it easy to  
start claim process

94% early communication  
with the insurer helpful

## PERMANENT IMPAIRMENT DISPUTES

103 average number of  
working days to solve

## AVERAGE TIME FOR CLAIMS ASSESSMENT AND RESOLUTION SERVICE ASSESSMENTS



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# OUR PURPOSE

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## MISSION AND VALUES

The MAA aims to reduce the social and economic impacts of motor accidents in NSW.

Our values underpin our interactions with each other, our stakeholders and our customers, and as such are an important part of our planning process. As a NSW Government agency, trusted with public money and safety, we employ these values to inform, and perform, our day to day work.

Our key values are integrity, trust, service, accountability and respect.

## ROLE

The MAA regulates the NSW Compulsory Third Party (CTP) Personal Injury Insurance Scheme (the Scheme). Our role is to licence and regulate the private insurers that underwrite the Scheme to ensure that premiums charged to vehicle owners are accessible and competitive, and benefits provided to those injured in a motor accident are delivered fairly and quickly.

## MAA AND APRA

The MAA conducts prudential monitoring to ensure the continued solvency of licensed insurers, working in partnership with the Australian Prudential Regulation Authority (APRA) through a memorandum of understanding.

## LEGISLATION

The MAA's operations are regulated by the *Motor Accidents Act 1988 No 102*, the *Motor Accidents Compensation Act 1999 No 41*, and the Motor Accidents Compensation Regulation 2015.

## WHAT WE DO

- supervise insurers so that injured road users have their claims resolved justly and efficiently
- investigate and resolve complaints about insurers
- provide information and advice to the public to explain their rights and help claimants navigate the claims process
- provide independent medical and claims assessment services as alternatives to the court system
- promote better practice in rehabilitation and injury management by setting standards for insurers, funding research, and educating service providers working in the Scheme
- protect people injured by uninsured or unidentified vehicles through a Nominal Defendant Scheme
- directly fund health and ambulance services for people injured on NSW roads
- regulate the extent to which insurers can provide premium loadings for higher-risk drivers and discounts for lower-risk drivers
- supervise insurers so vehicle owners can access appropriately priced policies
- provide information to vehicle owners to help them find the best Green Slip price
- work with Roads and Maritime Services to ensure effective alignment with vehicle registration
- fund measures to help prevent and minimise motor accident injuries, including road safety education, in partnership with the Centre for Road Safety
- review and report on Scheme efficiency.



## THE HISTORY OF THE MOTOR ACCIDENTS AUTHORITY

- 1942** First compulsory third party (CTP) personal injury insurance scheme introduced in NSW.
- 
- 1984** *The Motor Vehicles (Third Party Insurance) Amendment Act 1984* is introduced.
- 
- 1987** A fault-based scheme administered by the GIO (Transcover) sets statutory benefits for pain and suffering and medical expenses, and caps weekly economic loss benefits.
- 
- 1988** The *Motor Accidents Act 1988* restores the right to bring common law actions for damages and re-opens the market to private insurers. The MAA is established as a statutory corporation under the Act.
- 
- 1991** Premiums are deregulated. CTP prices decline.
- 
- 1995** The *Motor Accidents Amendment Act 1995* limits non-economic loss benefits.
- 
- 1999** The current Scheme is introduced through the *Motor Accidents Compensation Act 1999*.
- 
- 2006** The Lifetime Care & Support Scheme is established for people under 16 severely injured on NSW roads.
- 
- 2007** The Lifetime Care & Support Scheme is expanded to cover adults.
- 
- 2009** MAA becomes part of the Compensation Authorities Staff Division pursuant to the *Public Sector Employment and Management (Departmental Amalgamations) Order 2009*.
- 
- 2010** For the first time drivers at fault in an accident are able to claim up to \$5000 to cover the cost of their injuries.
- 
- 2012** MAA becomes part of Safety, Return to Work and Support Division under the *Safety, Return to Work and Support Board Act 2012*.
- 
- 2014** Safety, Return to Work and Support Division becomes Safety, Return to Work and Support and forms part of the Office of Finance and Services within the Treasury and Finance cluster.
- 
- 2015** The Office of Finance and Services becomes the Department of Finance, Services and Innovation.

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# OUR PURPOSE

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## ABOUT THE CTP SCHEME

Motor vehicle owners in NSW are required to purchase a CTP insurance policy (known as a Green Slip) before Roads and Maritime Services can register a vehicle or renew its registration. Green Slip insurance covers the driver of a motor vehicle against personal injury claims from 'third parties' – other road users (including pedestrians) who are injured in an accident involving the vehicle.

A person injured but not at fault in an accident can make a claim for a range of benefits under the Scheme, including medical and related costs, past and future economic loss, and payments for 'pain and suffering' (for those with severe permanent injuries). The Green Slip also provides some benefits irrespective of fault: it covers the first \$5,000 of treatment costs and lost income, and provides access to the Lifetime Care and Support Scheme (LTCS Scheme) for the catastrophically injured. The LTCS Scheme is separately administered by the Lifetime Care and Support Authority (LTCSA).

The Scheme is underwritten by private insurers licensed by the MAA, who set their own premiums in a competitive market. Green Slips are currently sold by five competing insurance companies, which operate seven CTP brands or licences: AAMI, Allianz, CIC-Allianz, GIO, NRMA, QBE and Zurich. These insurers set Green Slip prices based on a detailed assessment of NSW-wide claims data and their own claims experience. They may also apply a variety of risk-rating factors (e.g. age of driver, driver record, region where the vehicle is garaged) to offer discounts and loadings on Green Slips, according to the risk profile of the customer.

As Scheme regulator, the MAA aims to ensure that premiums are as affordable as possible for all NSW vehicle owners, including those with the highest risks, while ensuring insurers adequately cover the costs of future claims. However the MAA has only limited power to affect pricing. The number and cost of claims, and external economic factors, have the greatest impact on how much motorists will pay for their Green Slip.

Detailed historical information on the CTP Scheme can be found on the Authority's website at [www.maa.nsw.gov.au](http://www.maa.nsw.gov.au).



**Chief Executive Officer**  
**SAFETY, RETURN TO WORK AND SUPPORT**  
**Vivek Bhatia**

**General Manager Motor**  
**Accidents Authority NSW**  
**Andrew Nicholls**

**PRINCIPAL CLAIMS**  
**ASSESSOR, CLAIMS**  
**ASSESSMENT AND**  
**RESOLUTION SERVICE**

**Director**  
**Policy,**  
**Performance**  
**and Community**  
**Assistance**

**Director**  
**Assessment**  
**Services**

**Injury Strategy**

**Scheme**  
**Performance**

**Insurer Licensing**  
**and Performance**

**Policy and**  
**Community**  
**Assistance**

**Scheme Reform**  
**Strategy**

**Medical**  
**Assessments**

**Case**  
**Management**  
**Services**

**Medical**  
**Assessment**  
**Reviews**

**Motor Accidents**  
**Assessment**  
**Services Business**  
**Services**

**Claims**  
**Assessments**

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## CEO REVIEW

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In 2014/15 we were committed to providing better service, support and care to people who were injured in motor vehicle accidents

### ACHIEVEMENTS

- Commenced a review of regulatory frameworks and processes.
- Further developed inter-agency data sharing projects with Roads and Maritime Services and NSW Health.
- Received 7,000 calls to the Green Slip helpline and recorded 2.9 million hits on our website's Green Slip calculator.
- Allocated \$1.86 million through our injury management funding program to projects that support improved recovery for people injured in motor vehicle accidents.
- Established a Green Slip policy database that requires insurers to lodge quarterly returns on policies sold to increase our capacity to analyse premium trends and insurer pricing.
- Implemented the Motor Accidents Compensation Regulation 2015 which includes a new requirement for legal practitioners to report all claim costs to the MAA.
- Implemented new Premium Determination Guidelines to improve transparency in Green Slip pricing and better supervision over insurer projections which will promote increased competitiveness in the CTP market.
- Implemented new Market Practice Guidelines to better regulate market practices, encourage innovation, and ensure fair and equitable access to Green Slips.
- Commissioned and completed targeted performance audits which will inform the development of improved principles based and outcomes-focused Claims Handling Guidelines.
- Published the third edition of the Clinical Guidelines for the Management of Acute Whiplash-Associated Disorders.
- Launched a simpler claims form.
- Finalised over 7,800 dispute applications to the Medical Assessment Service and Claims Assessment and Resolution Service; our independent alternative to court dispute services.

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## PARTNERSHIPS, PROGRAMS AND INITIATIVES

- In collaboration with NSW Lifetime Care and Support Authority (LTCSA), we committed \$5 million over five years to support the work of the John Walsh Centre for Rehabilitation Research.
- Provided grant funding for two acute-trauma research projects to identify and manage complications after serious injury, including how to improve health and social outcomes.
- Partnered with the LTCSA and WorkCover NSW to fund a project seeking to improve vocational employment opportunities for people with a traumatic brain injury.
- Provided training for more than 260 health providers, educating participants on working effectively with CTP insurers and better recovery outcomes through delivery of services to claimants.
- Initiated and led the Heads of Australian and New Zealand Motor Accidents Insurance Scheme's Research Working Group, in developing a national approach to research on common Scheme issues.

## CHALLENGES

- Further decreasing timeframes for medical and claims settlements by maintaining a focus on out of court disputes through the provision of the Motor Accidents Medical Assessment Service (MAS) and Claims Assessment and Resolution Service (CARS).
- Facilitating research and programs that will deliver health and social outcomes via injury management, service development and quality improvement.
- Addressing vehicle reform issues including, national heavy vehicles, taxis, bicycles, ridesharing, hire cars, and motorcycles.
- Implementing amendments to the Premium Determination Guidelines and Market Practice and Business Plan Guidelines.

## PRIORITIES

- Further review of the premium system to examine the operation of current approaches to cross-subsidies in the Scheme and the risk factors used to set premiums.
- Continuing to work with insurers and legal practitioners to implement Scheme improvements such as greater monitoring of, and insurer accountability for, CTP premium prices.
- Finalising the revised Claims Handling Guidelines with a focus on monitoring compliance and insurer decisions affecting claimants.

- Reducing injuries and deaths on our roads through collaboration with the Centre for Road Safety and other agencies, to implement measures outlined in the NSW Road Safety Strategy 2012-21.
- Implementing the Green Slip system to share inter-agency data between insurers and Roads and Maritime Services databases in real time.
- Completing a pilot program with insurers and law firms to test the capture of data as required under the Motor Accidents Compensation Regulation 2015.

## THE YEAR AHEAD

In August 2015 NSW Parliament passed laws that created the new State Insurance Regulatory Authority (SIRA). This agency will assume the regulatory functions for workers compensation insurance and the Motor Accidents Authority, in relation to Compulsory Third Party insurance.

SIRA will also manage the regulatory functions relating to Sporting Injuries Compensation and Home Building Compensation.

MAA customers will continue to receive the same high level of service, care, advice and support. The change will present some structural and operational changes for our business that will allow us to enhance our services.

## OUR TEAM... OUR COMMUNITY

We would like to thank our employees, management team and stakeholders for their support throughout the year.

We look forward to the future and finding ways to build on our achievements and deliver the best possible care for those who have been injured in a motor vehicle accident while keeping Green Slip prices competitive and affordable.



Vivek Bhatia  
Former Chief Executive Officer  
Safety, Return to Work and Support

# SAFETY, RETURN TO WORK AND SUPPORT BOARD

## ABOUT SAFETY, RETURN TO WORK AND SUPPORT

Safety Return to Work and Support (SRWS) is part of Department of Finance, Services and Innovation (DFSI). The SRWS Board determines the strategic direction and oversees the performance of the WorkCover Authority of NSW, the Motor Accidents Authority (MAA) and the Lifetime Care and Support Authority (LTCSA). The SRWS Chief Executive Officer is a member of the SRWS Board.

SRWS agencies are supported by shared services functions in the areas of communications, finance, information and technology services, investment, human resources, legal, policy, procurement, and strategy and performance. The agencies also share governance mechanisms including the SRWS Executive, SRWS Board and its audit and risk committee, investment committee and human resource committee.

SRWS contributes to the economic growth, productivity and wellbeing of NSW by:

- enhancing business and driving confidence
- increasing competitiveness of the NSW economy
- improving workforce and community participation
- ensuring high quality, accessible and efficient services.

## THE SAFETY, RETURN TO WORK AND SUPPORT BOARD

The SRWS Board was appointed under the *Safety, Return to Work and Support Board Act 2012* for a three-year period to 31 July 2015. Under the Act, the Board:

- determines the general policies and strategic direction of each relevant authority
- oversees the performance of each relevant authority
- advises the Minister and the CEO on any matter relating to the relevant authorities or arising under the compensation or other related legislation
- determines investment policies for certain funds, and establishes and administers one or more funds for the purpose of investment:
  - Workers Compensation Insurance Fund
  - Lifetime Care and Support Authority Fund
  - Insurers Guarantee Fund
  - Sporting Injuries Fund
  - Workers' Compensation (Dust Diseases) Fund

- Nominal Defendant's Fund (currently nil assets)
- Terrorism Reinsurance Fund (currently nil assets)
- reports to the Minister on the investment performance of each of the above funds.

The Board consists of seven members, including the SRWS CEO. The Board is appointed by the Governor of NSW on the recommendations of the Minister for Finance and Services. Both the Board and the CEO are subject to ministerial control and direction.

## MEMBERS OF THE SAFETY, RETURN TO WORK AND SUPPORT BOARD ON 30 JUNE 2015

### 1. Michael Carapiet, MBA, Chair

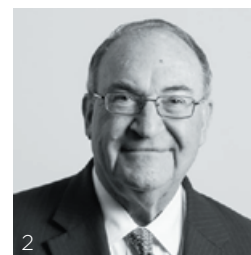
Mr Carapiet is Chair of Smartgroup Corporation Limited, Addexum Capital Ltd., and Link Administration Holdings Ltd. He is a director of Link Group and a member of the Boards of Clean Energy Finance Corporation and Infrastructure Australia. He is also on the Advisory Board of Norton Rose Australia. Mr Carapiet was previously Chair of SAS Trustee Corporation (NSW State Super).

Mr Carapiet has more than 30 years' experience in the financial sector and has held a number of senior roles with the Macquarie Group, where 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. Mr Carapiet has a Master of Business Administration from Macquarie University.

### 2. Raymond Whitten, BA, LLB, LLM, Deputy Chair

Mr Whitten was previously Chair of the MAA, Chair of the Workers Compensation and Work Health and Safety Council, Deputy Chair of the Workers' Compensation Insurance Fund Investment Board and Director of the WorkCover NSW Board. He was also Chair of the National Stock Exchange of Australia Limited (NSX).

Mr Whitten is an Accredited Specialist in Business Law, Notary Public and Responsible Officer of a Nominated Adviser to the NSX. He commenced practicing law in 1972 and is a Solicitor Director of Whittens and McKeough Pty Limited. He has extensive experience in property, commercial transactions and all types of dispute work.



Mr Whitten graduated from the University of Sydney with a Bachelor of Arts and a Bachelor of Laws. He also has a Master of Laws from the University of Technology, Sydney.

### 3. Vivek Bhatia, MBA, B.Engg, CFA

Mr Bhatia was appointed as CEO of SRWS and became a member of the Safety, Return to Work and Support Board in August 2014. He was appointed Chair of the Dust Diseases Board (DDB) on 1 January 2015 and is Chair of the Heads of Asbestos Coordination Authority. Mr Bhatia joined SRWS following his role as CEO at Wesfarmers Insurance, where he led the multi-brand, multi-channel insurer through a significant transformation journey.

Mr Bhatia has also held several other prominent leadership roles in strategy, operations and technology over the past 15 years both domestically and abroad at McKinsey & Company, Wesfarmers Insurance and QBE. Prior to joining SRWS, Mr Bhatia co-led the business restructuring and transformation practice at McKinsey & Company across Asia Pacific, where he worked across resources, industrials, telecommunications, financial services, and oil and gas.

Mr Bhatia has an undergraduate degree in Engineering and has completed his MBA in strategy. He is a qualified Chartered Financial Analyst.

### 4. Gavin Bell, LLB, MBA (Exec)

Mr Bell is currently a member of the Advisory Council of the Australian School of Business and a director of Smartgroup Corporation Ltd and Supply Nation. He was also a member of the WorkCover NSW Board and Workers' Compensation Insurance Fund Investment Board.

Mr Bell commenced at Freehills in 1982 as a graduate solicitor and became a partner in 1988. Mr Bell became Freehills' Chief Executive Officer and Managing Partner on 1 July 2005, and retired in 2014.

Mr Bell completed his law degree at the University of Sydney and graduated in 1982. He undertook a Master of Business Administration (Executive) degree at the Australian Graduate School of Management and graduated in 1995.

### 5. Peeyush Gupta, FAICD

Mr Gupta is currently the Chair of State Super Financial Services and Charter Hall Direct Property Management Limited. He is a non-executive director of the Special Broadcasting Service Board, National Australia Bank, BNZ Life insurance and QuintessenceLabs, and is Chairman of MLC Limited, State Super Financial Services, and Charter Hall Direct Property Management Limited. Mr Gupta also serves on a variety of non-profit boards, including the Australian School of Business at UNSW and SIRCA.

Mr Gupta was the co-founder and inaugural CEO of Ipac Securities, a pre-eminent wealth management firm spanning financial advice and institutional portfolio management. Mr Gupta has a Master of Business Administration (Finance) degree from the Australian Graduate School of Management. Mr Gupta completed the Advanced Management Program at Harvard Business School in 2006 and he is a Fellow of the Australian Institute of Company Directors.

### 6. Elizabeth Carr, BA (Hons), MPA, FAICD

Ms Carr is a Member of The Environmental Protection Authority (WA), Chair of the Challenger Institute of Technology and holds a number of private, non-profit and education board positions including Chair of the Macular Disease Degeneration Foundation and Chair of St Catherine's Aged Care Facility (NSW). Ms Carr is also the Chair of the NSW Family and Community Services Audit and Risk Committee and was a member of both the WorkCover NSW Board and Workers Compensation Insurance Fund Investment Board prior to their abolishment in 2012.

Ms Carr's career has covered 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 and a Master's Degree from Harvard University.

### 7. Mark Lennon, BComm, LLB

Mr Lennon is Secretary of Unions NSW, and was appointed to that position in October 2008. Mr Lennon joined Unions NSW (formerly the Labor Council) in 1988 and has held the positions of Occupational Health and Safety Training Officer, Industrial Officer and Assistant Secretary, prior to becoming Secretary. Mr Lennon is a Director of First State Super Trustee Corporation and was a member of the WorkCover NSW Board.





# SAFETY, RETURN TO WORK AND SUPPORT EXECUTIVE

The SRWS Executive team has 15 members, six general managers leading regulatory, care and insurance lines, eight functional leads providing shared services across SRWS, and a CEO. The team is responsible for operational management of the organisation and the

implementation of policies and strategic priorities determined by the SRWS Board. The Executive also makes recommendations on matters of strategic direction and policy to the CEO.



**Vivek Bhatia**  
CEO  
Safety, Return to Work  
and Support



**Don Ferguson**  
MA, BA  
General Manager,  
Lifetime Care and  
Support



**Anita Anderson, PSM**  
Dip-Gov-Policy  
General Manager  
Dust Diseases



**John Nagle**  
Executive Director  
WorkCover Insurance



**Caroline Walsh**  
BA (Government),  
LLB(Hons)  
Executive Director,  
Workers Compensation  
Regulation



**Peter Dunphy, PSM**  
BS, MA (Hons)  
Executive Director  
Work Health and Safety  
Division



**Andrew Nicholls**  
BA (Hons), MMgt, EMPA,  
JP  
General Manager  
Motor Accidents  
Authority



**Megan Hancock**  
CA, Grad Dip AFI, GAICD  
Chief Financial Officer



**Steve McKenna**  
MA, CIMA  
General Manager,  
Investment



**Stuart Bremner**  
MBA, CPA, ACIS  
Chief Information Officer



**Michael Saad**  
BEC  
Director  
Corporate Governance



**Catherine Morgan**  
BA (Hons), LLB (Hons),  
LLM  
Director, Legal Services





**Greg Barnier,**  
MBusCoach (Dist),  
AdvDipGovt (Mgmt)  
DipFinServ (FinPlan)  
Chief Human Resources  
Officer



**Carmel Donnelly**  
BA (Hons), MBA (Exec),  
MPH, GAICD  
General Manager,  
Strategy and  
Performance



**Samantha Lawrence**  
BA (Hons), MBA  
Director and Company  
Secretary  
Office of the CEO

## SAFETY, RETURN TO WORK AND SUPPORT

Chief Executive Officer - Vivek Bhatia

### CARE & INSURANCE

#### LIFETIME CARE AND SUPPORT

General Manager  
Don Ferguson

#### DUST DISEASES BOARD

General Manager  
Anita Anderson

#### WORKCOVER INSURANCE

Executive Director  
John Nagle

### REGULATION

#### WORKCOVER WORKERS COMPENSATION REGULATION

Executive Director  
Caroline Walsh

#### WORKCOVER WORK HEALTH AND SAFETY

Executive Director  
Peter Dunphy

#### MOTOR ACCIDENTS AUTHORITY

General Manager  
Andrew Nicholls

### SHARED SERVICES

#### FINANCE AND SERVICES

Chief Financial Officer  
Megan Hancock

#### INVESTMENT

General Manager  
Steve McKenna

#### PEOPLE AND CULTURE

Chief Human Resources Officer  
Greg Barnier

#### STRATEGY AND PERFORMANCE

General Manager  
Carmel Donnelly

#### CORPORATE GOVERNANCE

Director  
Michael Saad

#### INFORMATION SERVICES

Chief Information Officer  
Stuart Bremner

#### LEGAL SERVICES

Director  
Catherine Morgan

#### OFFICE OF CEO

Director and Company Secretary  
Samantha Lawrence

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# SAFETY, RETURN TO WORK AND SUPPORT

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**OUR VISION** We believe you should be safe and supported

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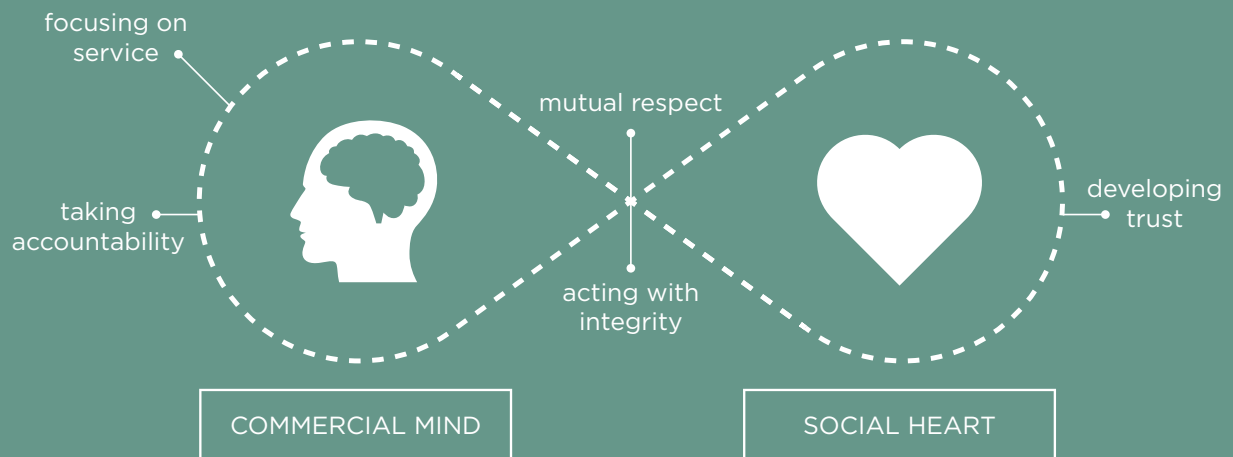
**OUR MISSION** We protect, insure, care  
**Protect** from harm  
**Insure** for when things go wrong  
**Care** for people when they are injured

---

**OUR VALUES** Accountability  
Service  
Trust  
Integrity  
Respect

## OUR STRATEGY

Our customers are at the centre of everything we do.  
We invest in the strengths of our people.  
We build great partnerships.  
We create new ways of doing things.



## OUR OBJECTIVES

Financial sustainability | Culture of achievement | Authentic stakeholder relationships  
Optimal care for the injured | Enhanced customer experience | Safe work and road environment  
Optimal insurance model

# INSURE

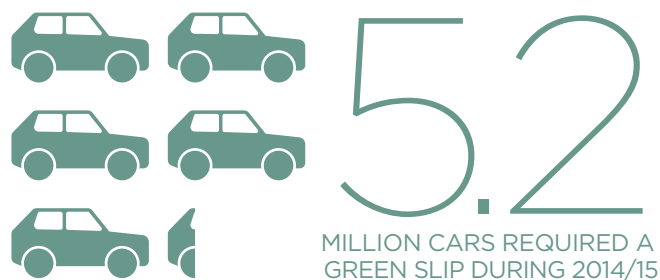
## GREEN SLIP PRICING

As Scheme regulator, the MAA aims to ensure that premiums are as affordable as possible for all NSW vehicle owners, including those with the highest risks, while also ensuring that insurers adequately cover the costs of future claims. The MAA has only limited power to affect pricing. The number and cost of claims, and external economic factors, have the greatest impact on how much motorists will pay for their Green Slip.

Insurers set Green Slip prices based on a detailed assessment of industry-wide data and their individual claims experience, and provide discounts and loadings on premium prices according to the risk profile of the motorist. The MAA allows risk-based pricing, to promote competition, but sets limits to keep premiums as affordable as possible for all NSW vehicle owners, including higher risk drivers.

In 2014/15 we implemented new Premiums Determination Guidelines and Market Practice and Business Plan Guidelines to better monitor the profile of each insurer's mix of business. These improvements provide greater clarity and consistency in relation to Green Slip pricing and enable us to gain a clearer picture as to how each insurer is performing and whether their premiums are appropriate.

This year, 100,000 more cars than last year required a Green Slip. The amount collected in CTP premiums during the period totalled \$900,000 more than the previous year.



AMOUNT COLLECTED IN PREMIUMS IN 2014/15  
\$2.2 BILLION\*

\*Excluding levies and GST

The underlying upward pressure on CTP premiums, evident from 2008 onwards, continued throughout 2014/15. The average CTP premium for all passenger vehicles<sup>1</sup> increased by 0.9 per cent: \$542 at 30 June 2015, up from \$537 at 30 June 2014. This upward pressure can be attributed to falling bond yields and rising claim frequency, as well as commercial decisions by insurers to change their business mix and market position.

However premium affordability improved: the index of average premiums for all passenger vehicles in NSW measured against average weekly earnings (AWE) decreased from 34 per cent of AWE at June 2014 to 33 per cent at June 2015.

## RECOVERING PREMIUMS

The MAA works with insurers to prevent leakage in Green Slip premiums through:

- fraud
- dishonoured cheque or credit card payments
- under-payment of correct premiums due to deliberate avoidance.

Where these activities occur, insurers can seek approval from the MAA to request that the Roads and Maritime Services (RMS) suspend or cancel vehicle registration (which also cancels the vehicle's CTP insurance policy).

In 2014/15 we granted approval for 1,686 applications from insurers seeking suspension of vehicle registrations by RMS, due to dishonoured credit card or cheque payments or under-payment of Green Slip premiums worth approximately \$1 million. Of these vehicle registrations, 436 were eventually cancelled by RMS as the Green slip premiums remained unpaid or under-paid.

1 Including the Medical Care and Injury Service (MCIS) Levy and GST.





# INSURE

## SCHEME COSTS

### BENEFITS FOR THE INJURED

The cost of providing benefits for those injured in motor vehicle accidents is directly related to the price of Green Slips. An increase in the overall cost of claims will lead to an increase in the average price of Green Slips.

New claim numbers increased in 2014/15 a total of 15,822 injury notifications were received during the period, compared to 14,360 the previous year. More than half of these notifications (55 per cent) were full claims, with the remaining 45 per cent made through the accident notification form, which provides payments up to \$5,000 for an injured person's medical and treatment expenses and loss of income sustained in the first six months following an accident, regardless of fault. This proportion of claim lodgements was slightly higher than the previous year (51.7 per cent full claims and 48.3 per cent made through the ANF).

### INJURY NOTIFICATIONS RECEIVED

15,822 10% increase  
on 2013/14

The cost of benefits paid through the Scheme was similar to last year: a total of \$1.41 billion was paid in benefits in 2014/15, compared to \$1.42 billion in 2013/14. For the most part, these payments are for settlement of claims or ongoing expenses from accidents that occurred in previous years. The projected costs of benefits is expected to increase to \$18.1 billion when claims not yet finalised are taken into account.

A total of 15,643 notifications were finalised during the reporting period, of which 74.9 per cent were full claims with an average payment of \$136,280. By comparison, 15,715 notifications were finalised in 2013/14, of which 76.1 per cent were full claims with an average payment of \$140,500.

## INSURER PROFITS

In recognition that CTP insurers are in receipt of public money that is compulsorily levied, the *Motor Accidents Compensation Act 1999* requires insurers to disclose "the profit margin on which premiums are based" and "the actuarial basis for calculating their profit margin".

Insurers are required to present this information to the MAA when filing premium changes. The extent to which projected profit margins align with the actual profits made by insurers depends on the extent to which the assumptions in insurers' premium filings are realised. However, it may take up to six years before this can be determined with any certainty, due to the 'long tail' of the Scheme – the length of time from notification of a motor accident claim to finalisation of that claim.

In accordance with the recommendations of the Legislative Council's Standing Committee on Law and Justice following the twelfth review of the exercise of the functions of the MAA, an independent review of insurer profit in the Scheme commenced in March 2015. The review, conducted by independent consultants and led by an Independent Chair, is examining Scheme design and market competition issues as well as identifying opportunities for improving the regulation of the Scheme. The final report on the review is expected to be delivered in the second half of 2015.

## BENEFITS PAID THROUGH THE SCHEME SINCE 1999

\$13.3 BILLION



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## SUPER-IMPOSED INFLATION

Superimposed inflation (i.e. increases in claims costs over and above normal inflation) is a regular feature of compensation type schemes. The long term superimposed inflation average of the Scheme is 2.8 per cent. However in recent years, unusually, there was no superimposed inflation.

In general, low rates of superimposed inflation are evidence that average claims costs are not spiralling out of control. While this is desirable, the downside is that if insurers have anticipated some degree of superimposed inflation in their liability estimates, they may make higher than expected profit where superimposed inflation is lower than anticipated.

The benign level of superimposed inflation in the Scheme over the past five years has contributed to higher than anticipated insurer profit margins.

The MAA has responded to the benign levels of superimposed inflation by driving down the allowable estimates of superimposed inflation in premiums filings and introducing revised Premiums Determination Guidelines.

The need to allow for superimposed inflation in insurer premium filings may be overcome by a regular process to address its underlying causes. The twelfth review of the MAA by the Legislative Council Standing Committee on Law and Justice recommended that the MAA report on any emerging issues driving superimposed inflation. The MAA monitors and discusses superimposed inflation at regular forums with insurers and with the legal profession.

## MCIS LEVY

Insurers are required to submit to the MAA, monthly payments of the levy collected on each Green Slip sold during the period. The Medical Care and Injury Services (MCIS) levy covers the costs of:

- ambulance and NSW public hospital treatment for all those injured in motor accidents
- care for the seriously injured (through the LTCSA)
- administration of the MAA's regulatory and RMS services.

The MCIS levy rate decreased from 10.5% to 9% on 1 February 2015 due primarily to stabilising hospital costs and a decrease in the service fee charged by RMS for the CTP component of registration renewals and registration establishments. From 1 July 2014, the service fee paid by the MAA to RMS for the provision of CTP services reduced from \$21 million to \$4 million – a \$17 million saving. We were able to negotiate this reduced service fee as customers are increasingly making use of online transactions.

The MAA commissions annual audits of MCIS levy collection and refund by insurers. An audit was underway at the time of reporting. The previous audit of MCIS levies in 2013/14 resulted in the recovery of an additional \$1.4 million in levies and \$150,000 in penalty interest due to incorrect levy payments from insurers.

### 2013/14 AUDIT OF MCIS LEVIES

**\$1,400,000**  
ADDITIONAL LEVIES RECOVERED

**\$150,000**  
RECOVERED IN PENALTY INTEREST

# INSURE

## NOMINAL DEFENDANT

The MAA is the Nominal Defendant for claims arising from motor accidents in NSW against owners and drivers of uninsured or unidentified motor vehicles. This means the MAA stands in for the at-fault driver who was involved in a hit-and-run crash or was driving an uninsured car. We provide a safety net for the injured person, giving them a 'defendant' from whom they can seek compensation. We allocate these Nominal Defendant claims to CTP insurers, in proportion to their market share, and the insurers then manage the claim as they would any other.

We received 773 claims as Nominal Defendant during 2014/15 compared to 680 in 2013/14, an increase of 14 per cent. Nominal Defendant claims represented approximately 4.2 per cent of all claims and 5.3 per cent of incurred costs, since the Scheme was established in 1999.

### NOMINAL DEFENDANT CLAIMS

## 14% INCREASE IN 2014/15



## VEHICLE REFORM

During 2014/15, we were a key stakeholder in a number of high profile reviews and initiatives being led by other agencies in the area of vehicle reform. This included participating in a working group convened by Transport for NSW to consider a proposed classic vehicle log book trial and the bicycle roundtable convened by the Minister for Roads, Maritime and Freight. We are currently chairing a working group to consider options to compensate people injured in bicycle crashes.

In 2015/16, we will be contributing to Transport for NSW's cross agency and stakeholder review of options for the use of off-road motorcycles, as well as the independent taskforce on the future sustainability of taxis, hire cars and other emerging point-to-point transport providers in NSW such as ride-sharing mobile applications.

## MAA ENHANCEMENT

### PREMIUMS DETERMINATION GUIDELINES

The MAA has issued new Premiums Determination Guidelines which commenced on 1 November 2014 following a trial period to ensure that the new processes and requirements were workable.

The revised guidelines provide a more robust framework for the scrutiny of insurer filings by the MAA. They require greater transparency from insurers regarding proposed price changes as insurers must provide more specific information on the assumptions underlying their projections.

The new rules improve our capacity to determine whether filings represent a genuine effort on the part of the insurer to offer competitive premiums, which are not excessive and are fully funded.

In addition, the revised Guidelines Practice Note imposes an affordability ceiling on Green Slip prices. The average maximum CTP premium payable for a NSW passenger vehicle (excluding GST) is to be within 50 per cent of the average weekly earnings for NSW workers.

To support the new approach to premiums, we established a new Green Slip policy database, involving insurers lodging quarterly returns of all policies sold. The new database gives us greater capability to analyse premium trends and to understand the effects of insurer pricing strategies, as well as the impact of the MAA's policies regarding premiums, enhancing our regulation of premiums.

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## MARKET PRACTICE GUIDELINES

We issued new principles-based Market Practice and Business Plan Guidelines during the reporting period, which commenced on 1 November 2014. The guidelines are the MAA's principal mechanism for ensuring customer access to CTP policies and preventing discrimination by insurers against high-risk motorists. The guidelines are also designed to promote a competitive CTP market by enabling flexibility and innovation by insurers in the delivery of services to customers.

In particular, the guidelines:

- prohibit unfair discrimination and verify that insurers are to act in good faith at all times when interacting with customers
- explain the underlying principles to be followed by insurers, in order to provide clarity as to the expectations of the MAA for equality of access to CTP policies
- promote better, more informed communication between insurers and their customers in relation to the issuing and maintenance of CTP policies
- foster competition by removing unnecessary barriers to innovation by insurers.

In accordance with the revised guidelines, all CTP insurers have submitted a comprehensive business plan to the MAA, outlining how they will ensure their compliance with requirements and providing details of their current distribution and market strategies.

## IMPLEMENTATION OF THE COST REGULATION

The Motor Accidents Compensation Regulation 2015 commenced on 1 April 2015. The Regulation prescribes the maximum fees recoverable for legal services, medical treatment and medico-legal reports applicable at various stages of a motor accidents claim.

The new Regulation will provide greater transparency in relation to Scheme efficiency in motor accident matters by requiring legal practitioners to disclose information about settlements, deductions and amounts paid to claimants to the MAA. These new provisions will assist us to properly monitor the operation of the motor accidents scheme.

We are currently developing a pilot program with insurers and a small number of law firms to test the capture of the data with the goal of fully implementing the reporting regime later in 2015.

While maintaining the framework of the previous Motor Accidents Compensation Regulation 2005, the new Regulation introduces amendments to improve and clarify its operation. Some of the key changes include:

- providing for an uplift in the maximum allowable fees for legal services and medico-legal services to reduce costs for claimants in paying their legal bills
- providing cost penalties for insurers if they do not accept an award of damages made by the CARS
- prohibiting legal practitioners or a close associate of a legal practitioner from either paying or receiving referral fees in connection with a motor accident claim.

## CLAIMS HANDLING

The MAA reviews the performance of each licensed CTP insurer to ensure they manage and resolve claims from those injured in motor vehicle crashes as justly and expeditiously as possible. Insurers must meet our industry benchmark for compliance outlined in the Treatment, Rehabilitation and Attendant Care Guidelines and Claims Handling Guidelines.

In response to the Government's Quality Regulatory Services initiative, we conducted a review of our regulatory framework and processes during 2014/15. The aim of the initiative is to better align government regulators with the principles of outcomes and risk-based regulation. As a result, we have revised a number of our regulatory tools, particularly our guidelines, and we are currently reviewing our regulatory processes. We have also established a multi-disciplinary Regulatory Risk and Strategy Group within the MAA to further develop the MAA's regulatory efficiency and effectiveness.

In line with the new risk based approach, we are monitoring compliance more strategically, focusing more specifically on insurer decisions critical to the claimant (e.g. determinations of liability, offers of settlement, requests for treatment and care). During the reporting period, we amended insurer guidelines to require them to provide clear reasons for decisions on liability, and we developed new templates for this purpose.

We are currently developing new principles-based and outcomes-focused Claims Handling Guidelines in consultation with CTP insurers, legal professional groups and medical peak bodies. The new guidelines are expected to be implemented in the next reporting period.

## BETTER RECOVERY

We support better recovery outcomes for injured people through education, information and the promotion of evidence-based treatment. Targeted initiatives in 2014/15 included:

- Training for 268 health service providers, through workshops (225) and online (43), to enhance their skills and knowledge in delivering services to claimants and working with insurers.
- Building on a successful collaboration with the LTCSA over the past two years, by providing further skills development for health service providers and insurers who develop and approve treatment and rehabilitation goals for injured people. 118 professionals participated in training during 2014/15.

- Hosting a forum in collaboration with the Rehabilitation Studies Unit at the University of Sydney for academic partners to engage with CTP insurers and share research findings from the study 'Understanding Health and Social Outcomes after a Motor vehicle Crash'.
- Publishing the third edition of the evidenced based clinical Guidelines for the Management of Acute Whiplash-Associated Disorders, which promotes best practice management of whiplash, in December 2014. The MAA has published a fact sheet and videos demonstrating whiplash recovery exercises and online assessment tools for health professionals and general practitioners. An educational PowerPoint and quick reference guide for health professionals and insurers will be launched in the second half of 2015.
- Continuing work with health service provider groups and CTP insurers to review the approach to approval and funding of treatment and rehabilitation services with the aim of minimising delays for injured people in accessing these services. The scope of the project was broadened in 2014/15 to include the pilot of a single service request form across both the Scheme and WorkCover and revising all other service request forms.
- Partnering with the LTCSA and WorkCover to fund, over three years, a project to improve employment outcomes for people with a traumatic brain injury. Vocational service providers and external evaluators have been appointed through competitive tender processes. The project has commenced with 25 per cent of participants recruited to the program in the first three months.
- Working with other SRWS agencies to identify opportunities for consistency, efficiency and synergy in the delivery of health services to injured people.

## DISPUTE RESOLUTION

One of the most important ways in which we support shorter timeframes for claims settlement is by providing independent assessment services to determine medical and claims disputes between injured people and insurers. We encourage the use of these services as an alternative to lengthy and expensive dispute resolution through the courts.

The volume of applications lodged for assessment by our dispute resolutions services in 2014/15 remained relatively stable compared to the previous year. A total of 8,289 applications were lodged during the period with 7,871 applications finalised in the same period.

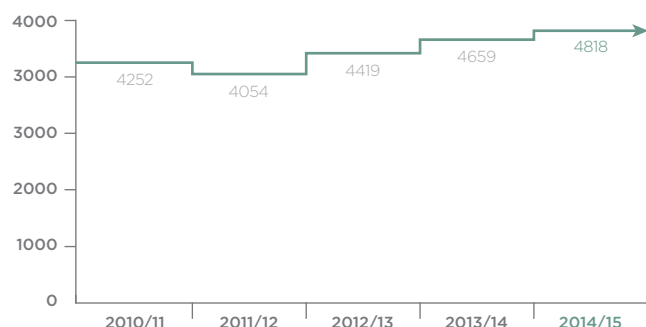


## MEDICAL ASSESSMENT SERVICE

The MAS provides an independent, fair and timely way of helping injured people and insurers resolve medical disputes arising during the claims process. The majority of full claims in the Scheme have no medical disputes referred to MAS. The proportion of CTP claims which do have a medical dispute referred to MAS has been reducing from around 35 per cent of claims in the early years of the Scheme to around 25 per cent of claims in more recent years.

The number of medical disputes lodged in 2014/15 rose slightly to 4,818 applications, a three per cent increase (159 applications) on the previous year. The chart below shows that the number of applications lodged with MAS has been steadily increasing over the past four years at an average rate of about five per cent a year. This trend flows on from the volume of CTP claims lodged in the Scheme in the previous two to three years, which have also been rising at the rate of about five per cent a year.

### TOTAL MAS LODGEMENTS



MAS can assess medical disputes about:

- **Impairment:** Whether the degree of 'whole person permanent impairment' as a result of the motor accident injury is greater than 10 per cent (this threshold determines whether an injured person is entitled to claim damages for non-economic loss, i.e. pain and suffering).

- **Treatment:** Whether the treatment provided, or to be provided, is reasonable and necessary in the circumstances, and whether it relates to an injury caused by the motor accident.

Disputes are assessed by an independent, expert medical assessor who may be a medical practitioner or other suitably qualified person, appointed by the MAA. The medical assessor panel includes approximately 160 independent expert medical assessors from over 25 different medical practice areas and allied health groups, and the current panel are appointed until June 2018.

As certificates issued by medical assessors are conclusive evidence in any court proceedings or claims assessment, a number of protections are in place to ensure that the assessments are as accurate and robust as possible, including the ability to seek a further medical assessment or review of an assessment.

Approximately 55 of the 160 MAS assessors are also current review panel assessors, who conduct reviews of medical assessments and may confirm or revoke a certificate issued by an original medical assessor.

The table below shows a breakdown of the number of the disputes relating to permanent impairment and treatment applications, further assessment applications and review applications. MAS saw the following changes in the number of applications in 2014/15 compared to 2013/14:

- permanent impairment dispute applications increased by six per cent (184)
- treatment dispute applications increased by 10 per cent (24)
- applications for further assessments increased by seven per cent (22)
- applications for review of a medical assessment fell by eight per cent (71).

MAS application by type	2010/11	2011/12	2012/13	2013/14	2014/15
Treatment	258	246	232	247	271
Permanent impairment	2,866	2,795	3,033	3,228	3,412
Further assessment	474	394	392	327	349
Review	654	619	762	857	786
<b>Total</b>	<b>4,252</b>	<b>4,054</b>	<b>4,419</b>	<b>4,659</b>	<b>4,818</b>



## MAS FAST FACTS 2014/15

### Applications lodged:

- 4,818 applications lodged.

### Applications finalised:

- 4,540 applications finalised.

### Treatment disputes:

- averaged 117 working days to resolve, down six per cent on 2013/14.
- 35 per cent of treatment disputes result in all treatment being allowed, and a further 21 per cent result in some treatment being allowed.

### Permanent Impairment disputes:

- averaged 103 working days to resolve, stable.
- permanent impairment disputes were assessed at greater than 10 per cent in 23 per cent of assessments.

### Further medical assessments:

- averaged 119 working days to resolve, down one per cent on 2013/14.

### Review of medical assessments:

- 38 per cent of accepted review applications resulted in a change to the original assessment, a result consistent with previous years.

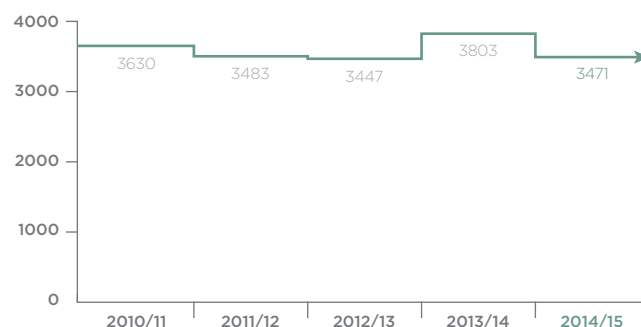
## CLAIMS ASSESSMENT AND RESOLUTION SERVICE

The CARS offers a simple and fast way to assess compensation claims and resolve disputes about claims arising between insurers and claimants. Parties cannot commence court proceedings unless the claim has been assessed by CARS or exempted from assessment by CARS.

The majority of full claims in the Scheme have no disputes referred to CARS. The proportion of CTP claims which do have any applications referred to CARS has been reducing from around 30 per cent of claims in the early years of the Scheme to around 20 per cent of claims in more recent years. Many claims lodged with CARS settle and do not require an assessment. Where they do not settle, they are assessed by an expert, independent claims assessor appointed by CARS. For most injured people, a CARS assessment will allow their claim to be finalised without the need to go to court.

In 2014/15, a total of 3,471 applications were lodged with CARS. The chart below shows that the number of applications lodged over the past five years has been relatively consistent.

### TOTAL CARS LODGEMENTS



Claims assessments are conducted by claims assessors, including the Principal Claims Assessor, Claims Assessment Officers of the Authority, and a panel of 30 independent expert claims assessors, with the current panel appointed until June 2016. These experts can assess disputes about:

- exemption from claims assessment
- general assessment and further general assessment of the claim (including determining liability and the amount of compensation)
- special assessment of procedural disputes (e.g. whether the injured person can make a claim more than six months after the accident).

CARS applications by type	2010/11	2011/12	2012/13	2013/14	2014/15
Exemptions	1,861	2,017	2,029	2,393	1,815
General Assessment	1,479	1,271	1,236	1,235	1,470
Further Assessment	6	6	11	9	6
Special Assessment	284	189	171	166	180
<b>Total</b>	<b>3,630</b>	<b>3,483</b>	<b>3,447</b>	<b>3,803</b>	<b>3,471</b>

The number of applications for exemption from CARS has fallen by around 24 per cent (578) in 2014/15 compared to the previous year, while applications for General Assessment have increased by around 19 per cent (235).

In May 2014 the MAA responded to a 2013 decision by the NSW Supreme Court which would have further increased the volume of claims mandatorily exempted from assessment and unable to have the opportunity of a claims assessment at CARS. Amendments to the Claims Assessment Guidelines in May 2014 saw the volume of exemption applications reduced this year, enabling more suitable-for-assessment claims to be assessed by CARS.

## FAST FACTS 2014/15

### CARS Applications lodged:

- 3,471 applications lodged.

### Applications finalised:

- 3,331 applications finalised.

### Applications proceeding to assessment

- 28 per cent of applications lodged with CARS proceeded to assessment, compared to 24 per cent in 2013/14.

### Exemptions:

- averaged 16 working days to resolve, stable.

### General assessments:

- averaged 157 working days to resolve, down 10 per cent from 173 days in 2013/14.

### Special assessments:

- averaged 68 working days to resolve, down eight per cent from 74 days in 2013/14.

## QUALITY OF MAS AND CARS DECISIONS

The MAA closely monitors the quality and consistency of decision-making via dispute resolution services.

In comparison to the 4,540 applications finalised by MAS in 2014/15:

- Two hundred and fifty applications for review of a medical assessment were accepted and review panels changed the outcome in 89 cases.
- Obvious errors were corrected in 72 certificates.
- Administrative challenges resulted in 20 decisions set aside and remitted for a fresh decision to be made.

In comparison to the 3,331 applications finalised by CARS in 2014/15:

- Obvious errors were corrected in 12 certificates.
- Administrative challenges resulted in six decisions set aside by the court and remitted for a fresh decision to be made.

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## MAA ENHANCEMENT

### FINDING THE BEST GREEN SLIP PRICE

The Green Slip prices offered to individual vehicle owners can vary significantly, due to insurers applying a variety of risk-rating factors differently (e.g. age of driver, driver record, age of vehicle).

We encourage consumers to shop around for the best price. We provide a free online Green Slip calculator and Green Slip helpline to assist. We undertook a major upgrade of the Green Slip calculator in 2014/15 to ensure it is accessible and will work on a number of mobile platforms. The calculator allows vehicle owners to quickly and easily tailor and compare prices from all seven insurers. The shop around services are available 24 hours a day, seven days a week. In 2014/15, we recorded around 2.9 million hits on our Green Slip calculator and approximately 7,000 calls to the Green Slip helpline.

### STREAMLINING GREEN SLIP PURCHASE

The MAA has continued to facilitate a real-time integration project to streamline Green Slip purchasing by instantly linking customer information in insurer databases with RMS databases. Implementation of real time integration will be phased in over the next reporting period. Once implemented, vehicle owners will be able to pay their registration fee instantly after purchasing a Green Slip.

Following changes to the Market Practice and Business Plan Guidelines in 2014, some Green Slip customers may now elect to receive electronic notifications (e-notifications) and Green Slip renewals by email instead of mail.

During 2014/15, we also completed a review of the Green Slip certificate design. As a result, CTP insurers will introduce a new look Green Slip certificate in the next reporting year. Insurers will also provide vehicle owners with new Green Slip information to help customers to understand the Scheme. This will include a Green Slip information statement providing information about the Scheme, including information about purchasing and pricing and protection under the Scheme.

## HELPING THE INJURED MAKE A CLAIM

Our Claims Advisory Service helps injured people to better navigate the claims process by:

- assisting them to make and manage a claim
- communicating with the insurer to help resolve medical and payments issues
- providing essential information to service providers (e.g. legal practitioners, medical treatment providers, insurer representatives).

In 2014/15, the Claims Advisory Service handled 22,840 enquiries from injured people and service providers, representing an increase of two per cent on the previous year.

The MAA provides an outreach service for claimants who do not have legal representation and have an application lodged with our dispute resolution services. The outreach service ensures claimants are informed about the assessment process, relevant meeting dates, and the documents and other information they need to provide at their assessment. In 2014/15, all potential outreach clients identified by dispute resolution services were contacted by our outreach service.

### REVIEW OF THE CLAIMS HANDLING GUIDELINES

Following extensive consultation with scheme stakeholders and examination of insurer claims handling performance, we have revised our Claim Handling Guidelines to better achieve the statutory objectives of the Scheme and to deliver outcomes to injured people making claims. The revision of the guidelines is part of the broader review of all of our regulatory instruments and processes. We are also reviewing the manner in which we monitor, measure, and report on insurer claims handling performance.

The revised Claims Handling Guidelines are outcomes-focused and risk-based. The revised guidelines have been framed as both principles and rules to promote a better experience for injured people making claims and to achieve greater levels of compliance by insurers with technical requirements.

We have consulted widely with CTP insurers, legal professional groups and medical peak bodies on the revised Claims Handling Guidelines. We have also conducted information sessions, received submissions and met individually with a number of stakeholders to obtain detailed feedback on the new approach.

Consultation with scheme stakeholders was ongoing at the time of this report and the new guidelines will be implemented in the next reporting year.

## COMPLAINTS AGAINST INSURERS 2014/15

The MAA has made it easier for people to lodge complaints over the phone without having to submit a written complaint. From 1 April 2015, complaints can be made over the phone by contacting our Claims Advisory Service.

In 2014/15 we received and investigated 109 complaints against insurers. 14 per cent (10 complaints) were found to be outside our jurisdiction or were withdrawn.

## DISPUTE RESOLUTION FEEDBACK IN 2014/15

In 2014/15, we received 39 complaints about our dispute resolution services and 11 compliments.

## BETTER CUSTOMER SERVICE IN DISPUTE RESOLUTION

The MAA's dispute resolution services launched new information sheets in November 2014 aimed at providing injured people and assessors with specific information about what to do when an interpreter is present at a medical or claims assessment.

The five information sheets, available on our website, provide information for:

- injured people about medical assessments with an interpreter
- injured people about claims assessments with an interpreter
- interpreters about medical and legal assessments
- medical assessors about assessments with an interpreter
- claims assessors about assessments with an interpreter.

## EARLY NOTIFICATION PROTOCOL

The MAA's Claims Advisory Service receives more than 8,000 calls each year from injured people and almost 60 per cent of these callers are taking their first step towards making a claim. They call within 28 days of the accident and generally prior to making contact with the CTP insurer or a legal representative.

We implemented the early notification protocol in January 2014 to improve claimants' experience. Under the protocol, callers to the MAA are now transferred directly to the relevant CTP insurer after our staff have taken the necessary information and passed it onto the insurer. The aim is to accelerate the claimant's access to treatment and rehabilitation, and reduce the claim timeframe for people with minor injuries. The protocol creates a more positive experience for claimants within the Scheme.

In 2014/15, around 1,300 injured people were directly connected with an insurer claims officer to start the process of making a claim. Ninety three per cent of injured people surveyed reported that they were receiving early treatment for their injuries. In addition, 98 per cent of claimants reported finding it easy to get the process of making a claim started and 94 per cent found their early communication with the insurer helpful.

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## ENGAGEMENT WITH STAKEHOLDERS

Regular consultation with stakeholders and service providers assists us to identify issues and risks and to ensure the ongoing viability of the Scheme. We have a regular program of meetings with insurers and legal professionals, as they are key in achieving the outcomes of the Scheme.

During the reporting period, we engaged external consultants, Siggins Miller, to conduct focus groups with targeted groups of injured people with finalised claims, as well as current CTP policy holders from across various regions. The project seeks to better understand consumer's perceptions and knowledge of the motor accidents scheme. The consultants are currently in the process of finalising their report.

We also engaged Susan Bell Research, an independent research company, to conduct a survey of approximately 700 people who have accessed benefits through the Scheme. The purpose of the research is to better understand a claimant's experiences as they engage with the Scheme. The report will be delivered in 2015/16.

In accordance with the recommendations of the Legislative Council's Standing Committee on Law and Justice following the twelfth review of the exercise of the functions of the MAA, we intend to establish a new advisory committee in the next reporting period. It is anticipated that the committee will have a consumer focus with vehicle owner and claimant representation.

## PERSONAL INJURY CLAIM FORM

In January 2015, we introduced a new red tape reduction initiative by simplifying and shortening the personal injury claim form. This form was developed in response to feedback from claimants that the previous form was long, complex and difficult to complete. The new streamlined form makes it quicker and easier for those with injuries to complete and lodge their motor accident claim and to gain access to early treatment and rehabilitation.

### CASE STUDY

A customer contacted the Claims Advisory Service for assistance after being injured in a motor vehicle accident. This customer was nearing the 28 day time limit for submitting her accident notification form and was worried that she would miss out on getting early access to treatment for her injuries.

The Claims Advisory Service staff obtained all the necessary information to identify the responsible insurer, then, using the MAA's early notification protocol, directly connected the customer to the insurer. This enabled her to submit an accident notification form without delay.

Claims Advisory Service staff followed up with the customer two weeks after her call to the MAA to enquire how her claim was progressing. The customer advised that she was "extremely impressed" with the whole process, including the MAA's follow up.

# PROTECT

## INJURY PREVENTION AND ROAD SAFETY

The MAA continues to collaborate with key agencies focused on improving road safety and reducing injuries in motor vehicle crashes. Our primary partnership is with Transport for NSW's Centre for Road Safety (CRS), and includes a range of measures to support the key elements of the NSW Road Safety Strategy 2012/2021.

During 2014/15 we:

- continued to make progress on data linkage and data sharing projects with Transport for NSW and NSW Health, aiming to link injury, claims, payments and crash data
- contributed to a range of inter-agency collaborations focused on promoting cycling, motorcycle, pedestrian and driveway safety
- contributed funding to support the delivery of CRS campaigns aimed at reducing risky driver behaviour and promoting safety for vulnerable road users, including a focus on motorcycle riders, driveway safety and campaigns targeting fatigue and impaired driving
- provided funding support to several multi-agency partnerships focused on developing programs and projects to address road trauma including the National Road Safety Partnerships Program and the Australian Naturalistic Driving Study.

In addition, we have contributed to working groups established by the CRS, focussed on motorcycle safety, driveway safety, bicyclists, Aboriginal road safety strategy and pedestrians. We have also begun exploring opportunities for collaboration with WorkCover's Work, Health and Safety Division in areas of shared risk and interest such as road freight, passenger transport and other road-based industries.

## INJURY MANAGEMENT FUNDING

In 2014/15, we allocated \$1,856,380 through our Injury Management Funding Program to projects supporting improved recovery for people injured in motor vehicle crashes. The John Walsh Centre for Rehabilitation Research within the University of Sydney was officially opened in October 2014, by the Hon Dominic Perrottet, Minister for Finance and Services and Hon Jillian Skinner, Minister for Health and Minister for Medical Research. The launch was a significant funding program achievement and was realised in partnership with the LTCSA. Together, we have committed a total of \$5 million over the next five years to support the centre's work. The centre aims to improve the health and social outcomes of people injured in motor vehicle crashes, with a particular emphasis on the role of psychological injury and its interplay with injury recovery.

Other highlights of the Injury Management Funding Program during 2014/15 included:

- An acute trauma grant round awarded funding for two grants that will focus on developing new knowledge through applied research to identify prevent and/or manage common complications and clinical variation in the initial three months post-acute injury.
- Funding two projects for further development of online education that will evaluate webinar training programs for general practitioners and physiotherapists to better manage chronic pain.
- Continued support for a major research study involving over 2,300 people, which will identify strategies with demonstrated potential to improve health and social outcomes after motor vehicle crashes (over 1,300 people have agreed to participate in the study to date).
- Supported a broad range of academic work and specific research projects that will help the MAA to gain a better understanding about the development and prevention of psychological injury after a car crash.

## LEADERSHIP AT THE NATIONAL LEVEL

The General Manager of the MAA is currently the Chairperson of the Heads of Australian and New Zealand Motor Accidents Insurance Schemes (Heads of MAIS). This group comprises the chief executive (or equivalent) from the agency in each of the Australian States and Territories and New Zealand that oversees the respective CTP Scheme. The purpose of the group is to identify and assess common strategic and operational interests and issues relating to the administration of CTP motor accident schemes in Australia and New Zealand. The Heads of MAIS share information and enhance their respective schemes by informing and influencing policy and strategic decision-making.

We are currently leading the Heads of MAIS Research Working Group, which is a sub group of the Heads of MAIS. The group is providing a forum for the discussion of injury management research that is being undertaken across the different MAIS jurisdictions, with a view to identifying shared priorities and opportunities to collaborate as well as sharing outcomes of research. We have begun work on developing a national approach to research on motor accident insurance schemes that will address common scheme issues.

Also at the national level, we are continuing to work closely with the National Heavy Vehicle Regulator and the National Transport Commission on the development of the most suitable CTP regime to accompany the new national registration system for heavy vehicles.





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# OUR PEOPLE

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## CULTURE OF ACHIEVEMENT AND LEADERSHIP

Culture of achievement is an initiative that aims to shape the culture of SRWS, encouraging a customer-centric, high-performance operating model. This initiative aims to build a culture that supports and drives the organisation's vision, mission and values.

Another initiative, the GROW Leadership Development Program continued throughout 2014/15. It is targeted at three key leadership levels and includes a self-leadership program that has continued to build and enhance capabilities related to people management and self-awareness. This tiered approach caters for a progressive development pathway. All programs are highly interactive and centred around real workplace challenges.

In 2014/15, SRWS senior executives initiated the co-design of a clear, responsive, and adaptable action plan for the future direction of its agencies. This culminated in the development of the SRWS Corporate Plan vision, mission and strategy.

The past 12 months also saw a significant shift to CEO and executive visibility and communications, which contributed to improved staff engagement. The CEO established an open Q&A communication channel and a weekly blog, providing updates on key projects and achievements. In addition, the senior executive team led the implementation of four key priorities from the 2014 People Matters employee survey: organisational culture; values based leadership; decision making and empowerment; and organisational direction.

## PERFORMANCE MANAGEMENT

SRWS continues to use an online performance management system to support clarity of individual performance expectations for the year.

## MANDATORY TRAINING PROGRAMS COMPLETED IN 2014/15:

In financial year 2014/15 three e-learning modules were launched:

- Maintaining a positive and respectful workplace
- Information security awareness
- WHS due diligence.

A one-day workshop, Manager as a Coach, was also delivered. It is designed to build and enhance the coaching skills of people leaders by providing them with the tools they need to lead and inspire an effective team.

## TRAINING AND DEVELOPMENT

In 2014/15, 161 core training programs were delivered, aligned to the NSW Public Sector Capability Framework.

Satisfaction was rated at 96 per cent with 98 per cent of employees indicating they would apply what they had learnt in the workplace.

## INTRANET REDEVELOPMENT

To improve internal communications and information accessibility for our employees, a large scale review of the existing intranet was completed and implementation is due to commence in 2015/16.

## REWARDS AND RECOGNITION

In 2014/15 the SRWS recognition strategy was enhanced, which helped produce a 30 per cent increase in nominations for the 2015 annual staff awards. These awards cover seven focus areas directly aligned to the organisation's values. The formal SRWS awards ceremony was held at Parliament House this year.

In 2015, SRWS launched the 'I recognise' cards. These cards allow SRWS staff to acknowledge one another for demonstrating organisational values of respect; integrity; trust; service; and accountability.

## CAPABILITY BASED ROLE DESCRIPTIONS

As part of the Government Sector Employment Act, role descriptions must align with the 2013 Public Sector Capability Framework. The capability framework provides a basis for creating and recruiting roles and helps make sure SRWS gets the right people into the right roles. This year SRWS made progress on the implementation of capability based role descriptions. Role descriptions focussed on the underpinning knowledge, skills and abilities required for a role and have facilitated greater agility and mobility across the





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# OUR PEOPLE

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organisation.

## WORK HEALTH AND SAFETY PERFORMANCE AND EMPLOYEE WELLBEING

The MAA continued to focus on early intervention approaches in the area of work health safety and employee wellbeing.

The MAA has two workgroups represented by four health and safety representatives. An overarching SRWS health and safety committee enables consultation direction on matters of health and safety. This year the SRWS focused on improvement across the SRWS health and safety management system, including adoption of revised health and safety policies and procedures as well as mandatory Workers Health and Safety related training across SRWS agencies.

SRWS has 22 workgroups represented by 27 health and safety representatives, a SRWS health and safety committee, and other agreed consultation arrangements consistent with the work health and safety legislation.

In 2014/15, there were no workers compensation claims lodged by MAA staff.

SRWS continues to support staff through non-work related illness and injury concerns, and to work on early intervention, pro-active case management, and timely return to work strategies.

## RECRUITMENT

During 2014/2015 SRWS transitioned to the new employment practices introduced in the *Government Sector Employment (GSE) Act 2013*.

During the year SRWS updated its recruitment framework to align with the changes introduced by the GSE Act and with DFSI corporate recruitment policy and practice. A number of new GSE compliant recruitment practices were developed and introduced and a number of key actions were progressed. A robust hiring-manager coaching program was developed and implemented to incorporate one-on-one support for all hiring managers during their first recruitment action under the GSE provisions.

## WORKFORCE DIVERSITY AND INCLUSION

The MAA is committed to building a workplace culture that values, understands and promotes the benefits of a diverse and inclusive workforce reflective of the wider community.

A diversity statement is included in all job advertisements on Jobs.NSW, encouraging people from diverse backgrounds to apply for roles in the organisation. The job application process also provides options for candidates to discuss flexible work arrangements and to access information packages in different formats.

In late 2013 SRWS's Equal Employment Opportunity (EEO) Plan introduced a recruitment strategy to improve access to employment for diversity groups. The strategy focussed on providing opportunities at entry level for young workers, people with a disability and/or Aboriginal or Torres Strait Islanders. Through continued targeted employment programs, and partnering with an employment service provider specialising in these areas, SRWS has this year been able to offer a further eight employment/engagement opportunities to individuals identifying from a disadvantaged group (one Indigenous person, one person with a disability, and six young workers under 25). In addition, eight other applicants were successfully placed in a talent pool for future opportunities.

## DISABILITY

SRWS is committed to reducing barriers for people with disabilities to access services and facilities, obtain and maintain employment, and engage, work and participate with our organisation.

In 2014/15 SRWS:

- participated in International Day of People with a Disability events which included organising guest speakers with a disability
- sponsored a university student, providing six weeks paid work experience through the Australian Network on Disability
- expanded targeted recruitment
- implemented a job application process that provides the option for candidates to discuss reasonable adjustment requirements in the application and/or assessment process
- provided support to employees requiring reasonable accommodation in the workplace
- designed e-learning programs that meet accessibility standards
- implemented alternate learning methods for online learning.

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## INDIGENOUS EMPLOYEES

In 2014/15 SRWS:

- participated in NAIDOC Week celebrations
- implemented targeted recruitment
- created an Aboriginal programs unit focussed on external service delivery
- advertised new inspector roles in Indigenous publications
- supported employees to participate in Aboriginal and Torres Strait Islander network meetings and events
- supported the Aboriginal Career and Leadership Development Program Scholarship.

## WOMEN

In 2014/15 SRWS:

- participated in the Lifeline Steel Magnolia Awards and sponsored the Young Achiever Award
- attended the United Nations women's breakfast
- participated in the My Mentor personal and career development program
- sponsored two places to attend, the Australian Women in Leadership Conference.

## YOUNG WORKERS

In 2014/15 SRWS:

- implemented targeted recruitment
- continued the SRWS Scholarship Scheme with the Universities of NSW, Newcastle and Western Sydney.

## MULTICULTURAL POLICIES AND SERVICES PROGRAM

In 2015, the Safety, Return to Work & Support (SRWS) Multicultural Plan 2015-17 was developed as a fundamental tool for planning and implementing policies and services for SRWS. As an agency of SRWS, the MAA acknowledges that engagement with stakeholders and customers from diverse linguistic, religious and cultural backgrounds is important for their role as supervisor of the Scheme in NSW.

The MAA, as part of SRWS, has continued to embrace and support multiculturalism in the development and introduction of services across our organisation and the community. With a focus on improving our services, we have continued to raise awareness by embedding diversity through our leadership, recruitment and development programs. Initiatives undertaken during 2014-2015 include:

- maintaining and updating a diversity and inclusion intranet page along with a diversity events calendar
- raising multicultural awareness in recruitment and induction packs
- celebrating Harmony Day in March 2015 by hosting morning teas, wearing orange and promoting local cultural activities
- celebrating NAIDOC Week in July 2014.

Collaborating with others, the MAA also:

- sponsored three prizes for the Reconciliation 2015 Art Competition and Exhibition award ceremony, in conjunction with NSW Fair Trading
- adopted the DFSI 'Practical Actions Guide - Building Diversity and Inclusion' as part of the People Leaders' Toolkit used within SRWS
- participated in a Bulgandry cultural site trip that included a guided tour of local Aboriginal rock carvings, artefacts and insight into Aboriginal history on the Central Coast.

## WORKFORCE DIVERSITY AND INCLUSION 2015/16

In 2015/16 the MAA will participate in a number of activities across all diversity groups as well as young workers including:

- the expansion of targeted recruitment and support for managers to remove unconscious bias
- targeted learning and development programs
- participation in targeted events and celebrations such as NAIDOC, Harmony Day, International



# OUR PEOPLE

Women's Day and the International Day of People with Disability

- sponsorship programs
- increase regularity of advertising roles through culturally specific media and networks (e.g. ethnic/ Aboriginal/LGBTI)
- enhancements to recruitment advertising to include imagery in advertising that reflects employee diversity and work of organisation.

## WORKFORCE DIVERSITY STATISTICS

The MAA's employee response rate for providing diversity information was below 65 per cent (60.4%), thus actual results have been reported for 2015. Although providing diversity information is not mandatory, we continue to encourage our employees to provide this data. Information about workplace diversity and confidentiality of personal information is included in the induction process and all new employees are encouraged provide diversity information.

## TRENDS IN THE REPRESENTATION OF WORKFORCE DIVERSITY GROUPS\*

Workforce Diversity Group	Benchmark/Target	2013	2014	2015
Women	50%	61.0%	62.5%	61.5%
Aboriginal People and Torres Strait Islanders	2.6%	0.0%	0.0%	0.0%
People whose First Language Spoken as a Child was not English	19.0%	10.0%	12.5%	11.5%
People with a Disability	N/A	5.0%	5.2%	5.2%
People with a Disability Requiring Work-Related Adjustment	1.5%	3.0%	3.1%	3.1%

\* Based on a response rate 60.4%

## TRENDS IN THE REPRESENTATION OF WORKFORCE DIVERSITY GROUPS

Workforce Diversity Group	Benchmark/Target	2013	2014	2015
Women	100	98	102	104
Aboriginal People and Torres Strait Islanders	100	N/A	N/A	N/A
People whose First Language Spoken as a Child was not English	100	N/A	N/A	N/A
People with a Disability	100	N/A	N/A	N/A
People with a Disability Requiring Work-Related Adjustment	100	N/A	N/A	N/A

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the Workforce Diversity group across salary levels is equivalent to that of other staff. Values less than 100 mean that the Workforce Diversity group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the Workforce Diversity group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where Workforce Diversity group or non-Workforce Diversity group numbers are less than 20.

## TRENDS IN THE DISTRIBUTION OF WORKFORCE DIVERSITY GROUPS

KRA	KPI	Target	2014/15 results
Capabilities (Growing our culture framework)	Lost time injury frequency rate to not exceed public sector average	<4.6	0
	Five per cent improvement in <b>engagement results</b> from People Matters Survey 2014/15 SRWS Employee Survey	70%	72%
	Five per cent improvement in <b>leadership results</b> from People Matters Survey 2014/15 SRWS Employee Survey	74%	74%

## HUMAN RESOURCES STATISTICS

	2014/15		2013/14		2012/13		2011/12		2010/11	
	SRWS <sup>3</sup>	MAA	SRWSD <sup>2</sup>	MAA	CASD	MAA	CASD	MAA	CASD <sup>1</sup>	MAA
Administration and clerical	947	85	920	84	965	89	1046	93	1061	109
Associates/ Ministerial	-	-	-	-	-	-	-	-	-	-
Cadets	-	-	-	-	-	-	-	-	8	1
Departmental professional officers	26	-	25	-	29	-	32	-	34	-
Engineers	9	-	10	-	13	-	11	-	12	-
General division	-	-	-	-	-	-	-	-	-	-
Graduates	-	-	-	-	-	-	-	-	-	-
Legal officers	24	3	24	3	42	2	37	2	38	2
Safety inspectors	284		290	-	281	-	280	-	293	-
Senior management (Senior Executive Service)	28	2	34	2	33	2	11	1	13	2
Senior officers	24	5	29	6	37	7	56	8	55	9
Technical officers	8	-	7	-	10	-	7	-	8	-
Trainees	-	-	-	-	-	-	-	-	-	-
Statutory and other officers including arbitrators	1	1	1	1	23	1	24	1	24	1
<b>Total</b>	<b>1351</b>	<b>96</b>	<b>1340</b>	<b>96</b>	<b>1433</b>	<b>101</b>	<b>1504</b>	<b>105</b>	<b>1546</b>	<b>124</b>

Note: The HR Statistics quoted for 2014/15 are the headcount figures as at 18 June 2015 (being the census date for the PSC Annual Workforce profile data collection).

1. From July 2009, employees from WorkCover NSW (WCA), the Building and Construction Industry Long Service Payments Corporation (LSPC), the Dust Diseases Board (DDB), the Sporting Injuries Committee (SIC), the Motor Accidents Authority (MAA), the Lifetime Care and Support Authority (LTCSA) and the Workers Compensation Commission (WCC) have become employees of the Compensation Authorities Staff Division (CASD).

2. Compensation Authorities Staff Division (CASD) retitled to Safety Return to Work and Support Division (SRWSD) in August 2012.

3. From 24 February 2014, the Safety Return to Work and Support Division was retitled Safety Return to Work and Support (SRWS). SRWS figures for 2013/14 include DDB, LTCSA, MAA, and WCA.

# OUR PEOPLE

## CORPORATE GOVERNANCE

### RISK MANAGEMENT

The MAA has an integrated whole-of-SRWS risk management strategy that incorporates the SRWS Enterprise Risk Management (ERM) Framework. The ERM framework is consistent with AS/NZS standards (31000) and the NSW Treasury Internal Audit and Risk Management Policy for the NSW Public Sector (TPP09- 05)

The risk strategy informs corporate and business planning, governance and assurance activities. Through good governance, robust business practices and consistent monitoring the ERM framework aids to build an agile, capable and sustainable environment, underpinned by a risk aware culture.

The SRWS Board has an established and ongoing process for identifying, evaluating and managing the significant risks faced by the SRWS, and is assisted by a suite of tools available to staff. The management of each agency level and divisional / business unit is responsible for identifying, evaluating, rating (in terms of probability of occurrence and likely impact) key risks. Ownership is assigned which entails taking responsibility for managing and mitigating key risks, including the design and operation of appropriate internal controls and consistent reporting. A key feature of the ERM framework is that everyone takes responsibility for the management of risk. Both strategic and operational risk reviews have continued and the next phase of further enhancing risk maturity has begun across SRWS.

The governance structures for risk management are based on the 'three lines of defence' model. Primary responsibility for risk management lies with the business units and specialist operational process functions. A second line of defence is provided by specialist functions that undertake monitoring, challenge and policy setting, such as the independent strategic risk and corporate compliance function. The third line of defence is provided by the Internal Audit Unit (IAU) which provides process assurance, supplemented by external audit.

### INTERNAL AUDIT UNIT

The SRWS IAU is an independent review function that manages, through two outsourced service providers, an annual plan of risk-based audits across all the SRWS Agencies including the MAA. In 2014/15, six reviews were finalised in MAA or SRWS-wide (including MAA). These reviews raised 25 audit issues and made 44 audit recommendations to strengthen the organisation's internal controls.

The following internal audit reports were finalised in 2014/15:

- SRWS Complaints Management\*
- SRWS Asset Management
- SRWS Accounts Payable
- SRWS Physical Security
- SRWS IT Security
- SRWS Annual Reporting

\* Internal audit reviews from the 2013/14 audit plan completed during the 2014/15 year.

In addition to the above, the following internal audit review, from the 2014/15 audit plan, was in progress at 30 June 2015:

- MAA SLA Review – Health and RMS.

During 2014/15 SRWS commissioned an independent quality assessment by the industry peak body, the Institute of Internal Auditors (IIA), of the entire spectrum of assurance and consulting work performed by the IAU. The IAU was assessed as fully conforming with all 51 IIA Standards and the NSW Government Internal Audit Policy. The IIA rated SRWS Internal Audit as "beyond conforming" - the top category in its maturity model - and highlights many examples of good practice in its final quality assessment report.

The IAU also undertakes a range of fraud and corruption prevention activities. IAU staff act as Public Interest Disclosure Officers to whom staff can report allegations of corrupt conduct within the *Public Interest Disclosure Act 1994*. IAU also manages investigations into alleged corrupt conduct liaising, where appropriate, with the Independent Commission Against Corruption (ICAC).

The Director of Corporate Governance acts as the Chief Audit Executive and reports directly to the SRWS Audit and Risk Committee for strategic direction and accountability purposes, and reports administratively to the CEO to facilitate day to day operations.

### ENERGY PERFORMANCE AND WASTE REDUCTION

SRWS continued to achieve savings in energy usage, sustainable energy management principles and targets set in the Government Resource Efficiency Policy (GREP). During 2014/15, SRWS occupied 23 sites that purchased electricity through State contracts and generated six per cent of their power from renewable energy sources.

SRWS initiatives in 2014/15 included:

- using energy-efficient automated lighting and motion-detection lighting
- installing infra-red security cameras to reduce external lighting
- timed air conditioning
- continued use of UniFLOW print management system to reduce paper and toner usage
- recycling 100 per cent of used toner cartridges
- recycling IT equipment through approved providers
- procuring environmentally friendly vehicles

- increasing publication of online materials

- separating waste into recyclable and general categories.

## PUBLIC INTEREST DISCLOSURES (PIDS)

The MAA has an Internal Reporting Policy available to all staff on the intranet.

SRWS took action to make staff aware of their rights and responsibilities under the *Public Interest Disclosure Act 1994*. Awareness activities within the current PID reporting period (1 July 2014 to 30 June 2015) include induction training, intranet communications, and fact sheets.

## STATISTICAL INFORMATION ON PIDS

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about:			
Corrupt conduct	0	0	0
Maladministration	0	0	0
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
Number of PIDs finalised	0		

## INFORMATION SERVICES

SRWS Information Services is responsible for the support and maintenance of existing infrastructure and applications within the SRWS technology system. It is also tasked with planning and implementing the SRWS Information and Communications Technology (ICT) Strategic Plan which sets the direction for use of technology by SRWS between 2013 and 2018. The ICT strategy includes consolidation, standardisation, improved connectivity, reliability and availability of business systems and business continuity, value-driven sourcing and overall alignment with the NSW Government direction for information technology.

Information Services works across SRWS to ensure IT planning across all modes of health and safety are fully integrated. This allows the operational agencies to focus solely on delivering quality service to customers

and not on duplicating their efforts in IT planning and purchasing. The strategy enables SRWS to operate as a coordinated set of brands with each brand maintaining some autonomy while utilising cross-agency synergy in information, services, and infrastructure.

## DELIVERY OF THE ICT STRATEGIC PLAN

The Information Communication Technology (ICT) strategy delivers the objectives of the enterprise architecture and establishes a platform for the future that is responsive to changing business demands. It also balances the functionality and cost effectiveness of ICT infrastructure. The ICT strategy ensures that SRWS progresses data from its raw form to accessible and useable information.

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# INTERNAL AUDIT AND RISK MANAGEMENT STATEMENT

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## **Internal Audit and Risk Management Statement for the 2014-2015 Financial Year for the Motor Accidents Authority**

I, Michael Carapiet, Chair of the Safety, Return to Work and Support Board, am of the opinion that the Motor Accidents Authority has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*.

I, Michael Carapiet, Chair of the Safety, Return to Work and Support Board, am of the opinion that the Safety, Return to Work and Support Audit and Risk Committee for the Motor Accidents Authority is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Independent Chair, Raymond Whitten, 31 October 2012- 30 October 2016
- Independent Member, Raymond Petty, 31 October 2012 - 30 October 2015
- Independent Member, Elizabeth Carr, 31 October 2012 - 30 October 2016
- Independent Member, Mark Lennon, 31 October 2012 - 30 October 2016

These processes, including the practicable alternative measures being implemented, provide a level of assurance that will enable the senior management of the Motor Accidents Authority to understand, manage and satisfactorily control risk exposures.

As required by the policy, I have submitted an Attestation Statement outlining compliance with exceptions with the policy to the Treasury on behalf of the Treasurer.



Michael Carapiet  
Chair

Dated this

31<sup>st</sup>

day of

August

2015

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# DIGITAL INFORMATION SECURITY ATTESTATION STATEMENT

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## **DIGITAL INFORMATION SECURITY ANNUAL ATTESTATION STATEMENT FOR THE 2014/15 FINANCIAL YEAR FOR SAFETY, RETURN TO WORK AND SUPPORT**

I, Vivek Bhatia, Chief Executive Officer of Safety, Return to Work and Support, am of the opinion that Safety, Return to Work and Support had an Information Security Management System in place during the 2014-2015 financial year that is consistent with the Core Requirements set out in the NSW Government Digital Information Security Policy.

The controls in place to mitigate identified risks to the digital information and digital information systems of Safety, Return to Work and Support are adequate.

Risks to the digital information and digital information system of Safety, Return to Work and Support have been assessed with an independent ISMS being developed in accordance with the NSW Government Digital Information Security Policy.

Safety, Return to Work and Support has maintained compliance with *ISO 27001 Information technology - Security techniques - Information security management systems - Requirements* and independently reviewed by Shearwater Solutions Pty Ltd during the 2014-2015 financial years.



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## MOTOR ACCIDENTS AUTHORITY

Statement by the Chief Executive Officer	45
Independent Auditor's Report	46
Statement of comprehensive income for the year ended 30 June 2015	48
Statement of financial position as at 30 June 2015	49
Statement of changes in equity for the year ended 30 June 2015	50
Statement of cash flows for the year ended 30 June 2015	51
Notes to the Financial Statements	52
1. Summary of significant accounting policies	52
2. Expenses excluding losses	58
3. Revenue	59
4. Current assets – cash and cash equivalents	60
5. Current/non-current assets – receivables	60
6. Non-current assets – property, plant and equipment	61
7. Intangible assets	62
8. Fair value measurement of non-financial assets	63
9. Restricted Assets	63
10. Current liabilities – payables	64
11. Current/non-current liabilities – provisions	64
12. Commitments for expenditure	66
13. Contingent liabilities and contingent assets	66
14. Budget review	67
15. Reconciliation of cash flows from operating activities to net result	67
16. Financial instruments	68
17. Post balance date events	70

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### STATEMENT BY THE CHIEF EXECUTIVE OFFICER

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Pursuant to Section 41C of the *Public Finance and Audit Act 1983* I state that in my opinion:

1. the accompanying financial statements exhibit a true and fair view of the financial position of the Motor Accidents Authority of New South Wales as at 30 June 2014 and transactions for the year then ended; and
2. these statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015*, Australian Accounting Standards and the Treasurer's Directions.

Further, I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Vivek Bhatia  
Former Chief Executive Officer  
Safety, Return to Work and Support  
14 September 2015



## **INDEPENDENT AUDITOR'S REPORT**

### **Motor Accidents Authority of NSW**

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Motor Accidents Authority of NSW (the Authority), which comprise the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

### **Opinion**

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

### **The Chief Executives' Responsibility for the Financial Statements**

The Chief Executive Officer is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### INDEPENDENT AUDITOR'S REPORT

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

My opinion does *not* provide assurance:

- about the future viability of the Authority
- that it carried out its activities effectively, efficiently and economically
- about the effectiveness of the internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements.

#### Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



A Oyetunji  
Director, Financial Audit Services

16 September 2015  
SYDNEY

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
<b>Expenses excluding losses</b>				
Operating expenses				
Personnel services	2(a)	13,686	13,350	12,482
Other operating expenses	2(b)	26,007	25,751	23,618
Depreciation and amortisation	2(c)	1,150	2,156	1,257
Grants and subsidies	2(d)	4,224	6,000	4,352
Finance costs	2(e)	-	-	927
Other expenses	2(f)	147,222	151,720	205,145
<b>Total Expenses excluding losses</b>		<b>192,289</b>	<b>198,977</b>	<b>247,781</b>
<b>Revenue</b>				
Investment revenue	3(a)	1,814	938	2,215
Retained taxes, fees and fines	3(b)	215,827	227,246	210,782
Other revenue	3(c)	(3,639)	-	38,108
<b>Total Revenue</b>		<b>214,002</b>	<b>228,184</b>	<b>251,105</b>
<b>Net result</b>		<b>21,713</b>	<b>29,207</b>	<b>3,324</b>
<b>Other comprehensive income</b>				
		-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>21,713</b>	<b>29,207</b>	<b>3,324</b>

The accompanying notes form part of these financial statements.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Notes	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	4	42,002	56,249	31,275
Receivables	5	36,727	23,650	26,839
<b>Total Current Assets</b>		<b>78,729</b>	<b>79,899</b>	<b>58,114</b>
<b>Non-Current Assets</b>				
Receivables	5	-	-	25,804
Property, plant and equipment				
– Plant and equipment	6	370	511	623
<b>Total property, plant and equipment</b>		<b>370</b>	<b>511</b>	<b>623</b>
Intangible assets	7	322	2,366	1,219
<b>Total Non-Current Assets</b>		<b>692</b>	<b>2,877</b>	<b>27,646</b>
<b>TOTAL ASSETS</b>		<b>79,421</b>	<b>82,776</b>	<b>85,760</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	10	5,794	21,261	20,305
Provisions	11	25,011	3,395	14,607
<b>Total Current Liabilities</b>		<b>30,805</b>	<b>24,656</b>	<b>34,912</b>
<b>Non-Current Liabilities</b>				
Provisions	11	7,490	4,248	31,435
<b>Total Non-Current Liabilities</b>		<b>7,490</b>	<b>4,248</b>	<b>31,435</b>
<b>Total Liabilities</b>		<b>38,295</b>	<b>28,904</b>	<b>66,347</b>
<b>NET ASSETS</b>		<b>41,126</b>	<b>53,872</b>	<b>19,413</b>
<b>EQUITY</b>				
Accumulated funds		41,126	53,872	19,413
<b>TOTAL EQUITY</b>		<b>41,126</b>	<b>53,872</b>	<b>19,413</b>

The accompanying notes form part of these financial statements.



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2014		19,413	19,413
Net result for the year		21,713	21,713
<b>Total other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>21,713</b>	<b>21,713</b>
Transactions with owners in their capacity as owners		-	-
<b>BALANCE AT 30 JUNE 2015</b>		<b>41,126</b>	<b>41,126</b>
Balance at 1 July 2013		16,089	16,089
Net result for the year		3,324	3,324
<b>Total other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>3,324</b>	<b>3,324</b>
Transactions with owners in their capacity as owners		-	-
<b>BALANCE AT 30 JUNE 2014</b>		<b>19,413</b>	<b>19,413</b>

The accompanying notes form part of these financial statements.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Personnel services		(10,421)	(13,350)	(10,483)
Grants and subsidies		(4,290)	(6,000)	(4,357)
Other		(203,433)	(208,270)	(230,042)
<b>Total Payments</b>		<b>(218,144)</b>	<b>(227,620)</b>	<b>(244,882)</b>
<b>Receipts</b>				
Interest received		1,497	938	2,215
Retained taxes, fees and fines		217,869	228,086	206,342
Other		9,505	33,931	60,977
<b>Total Receipts</b>		<b>228,871</b>	<b>262,955</b>	<b>269,534</b>
<b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>	15	<b>10,727</b>	<b>35,335</b>	<b>24,652</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of investments		-	-	4,521
Purchases of property, plant and equipment		-	(300)	-
Purchases of intangible assets		-	(2,894)	(84)
<b>NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>-</b>	<b>(3,194)</b>	<b>4,437</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>10,727</b>	<b>32,141</b>	<b>29,089</b>
Opening cash and cash equivalents		31,275	24,108	2,186
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	4	<b>42,002</b>	<b>56,249</b>	<b>31,275</b>

The accompanying notes form part of these financial statements.

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Reporting entity

The Motor Accidents Authority of NSW (the Authority) is a NSW government entity. The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

Under the *Safety Return to Work and Support Board Act 2012*, the Safety, Return to Work and Support Board (the Board) determines the Authority's general policies and strategic direction. Additionally it oversees the Authority's performance including ensuring that its activities are carried out properly/efficiently and provides advice to the Minister/Chief Executive Officer of the Authority. Additionally the Chief Executive Officer of Safety Return to Work and Support is the Chief Executive Officer of Motor Accidents Authority of NSW.

These financial statements for the year ended 30 June 2015 have been authorised for issued by the Chief Executive Officer on 14 September 2015.

##### b. Basis of preparation

The Authority's financial statements are general purpose financial statements which have been prepared using the accrual basis of accounting and are in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

##### c. Statement of compliance

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

##### d. Insurance

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

##### e. Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, except that:

- the amount of GST incurred by the Authority as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of the asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

##### f. Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

##### i. CTP premium levy

The Authority's funds are generated from levies on Compulsory Third Party (CTP) insurance premiums collected by licensed insurers in accordance with notices issued under Section 214A(5) of the *Motor Accidents Compensation Act 1999*. CTP levy revenue is recognised when it falls due and receivable by the Authority.

The levies were used to meet the expenses of the Authority's operations (including the provision of Rehabilitation project funding) under the *Motor Accidents Compensation Act 1999* and also from 1 October 2006 were used to meet the fees to Roads and Maritime Services (RMS) to co-ordinate registration and insurance of motor vehicles and to the Minister for Health and the Ambulance Service of NSW (Health and Ambulance) for hospital and ambulance services to persons with claims under the *Motor Accidents Compensation Act 1999*.

Any unused funds are kept in interest bearing investment accounts in accordance with the *Motor Accidents Compensation Act 1999* and the *Public Authorities (Financial Arrangements) Act 1987*.

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### f. Income recognition (Continued)

###### ii. Nominal Defendant Fund (NDF) contribution

Under a 2013 Crown Solicitor opinion the Nominal Defendant Fund (NDF) retains all recoveries from reinsurers, of the former HIH group that relate to NSW Third Party insurance claims. Amounts distributed by the liquidators of HIH as part of the liquidation are the property of NSW Treasury (Crown Entity). If the NDF has insufficient funds to meet claims liabilities then NSW Treasury will provide funds through the Policyholders Protection Fund.

###### iii. Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion.

###### iv. Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

###### v. Other revenue

Other miscellaneous revenue is recognised in accordance with AASB 118 *Revenue*.

###### vi. Other gains

Gains represent other items that meet the definition of income and may, or may not, arise in the course of the ordinary activities of the Authority. Gains represent increases in economic benefits and as such are no different in nature from revenue. Gains include, for example, those arising on the disposal of non-current assets.

Losses represent decreases in economic benefits and as such are no different in nature from expenses.

##### g. Assets

###### i. Acquisition of assets

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, the cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted over the period of credit.

###### ii. Capitalisation thresholds

The capitalisation threshold for property, plant and equipment is \$5,000 and above individually (or forming part of a network costing more than \$5,000). For intangible assets it is \$100,000 and above (including direct allocation of personnel service costs).

###### iii. Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer Note 6 and Note 8 for further information regarding fair value.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The Authority has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

No revaluation is performed as the Authority's property, plant and equipment are non-specialised assets with short useful lives.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### g. Assets (Continued)

##### iv. Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

##### v. Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority. All material separately identifiable components of assets are depreciated over their useful lives. The following depreciation rates were used:

Categories	On or after 1 January 2010
Furniture and fittings	20%
Leasehold improvements	Over lease term
Office equipment	20%

##### vi. Restoration costs

The estimated cost of dismantling and removing an asset and restoring the office sites is included in the cost of an asset, to the extent it is recognised as a liability.

##### vii. Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

##### viii. Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all the risks and rewards.

Where a non-current asset is acquired by means of a finance lease, at the commencement of the lease term, the asset is recognised at its fair value, or, if lower the present value of the minimum lease payments at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between principal component and the interest expense.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

##### ix. Intangible assets

The Authority recognises intangible assets only if it is probable that future economic benefits will flow to the Authority and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Authority's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

The Authority charges amortisation on intangible assets using the straight-line method over a period of three years.

The Authority reviews its amortisation rate and method on an annual basis.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

##### x. Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### g. Assets (Continued)

###### xi. Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The Authority determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Fair value through profit or loss:

The Authority subsequently measures investments classified as 'held for trading' or designated upon initial recognition 'at fair value through profit or loss' at fair value. Financial assets are classified as 'held for trading' if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading. Gains or losses on these assets are recognised in the net result for the year.

The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option under AASB 139.9(b)(ii) i.e. these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the Authority's key management personnel.

The Authority seeks to manage exposure to investment risk so that it can generate sufficient returns to meet the Authority's current and future liabilities and mitigate the risk that the assets will be insufficient to meet their liabilities. Designation of investments at fair value through profit or loss is consistent with this risk management strategy as it allows for these investments to be recorded at fair value and for any gains or losses in the movement in their fair value to be recognised in the net result for the year.

The movement in the fair value of the Hour-Glass Investment Facilities incorporate distributions received as well as unrealised movements in fair value and is reported in the line item 'investment revenue'.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the entity commits to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the statement of financial position date.

###### xii. Impairment of financial assets

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Authority will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as 'available-for-sale' must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

###### xiii. Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire, or if the Authority transfers the financial asset:

- where substantially all the risks and rewards have been transferred or
- where the Authority has not transferred substantially all the risks and rewards, if the Authority has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

###### xiv. Other assets

Other assets are recognised on a historic cost basis.

##### h. Liabilities

###### i. Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### h. Liabilities (Continued)

##### ii. Personnel services and other provisions

The Authority received personnel services from the Office of Financial Services (OFS).

##### a. Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted). Actuarial advice obtained by NSW Treasury has confirmed that the use of an approach using nominal annual leave plus annual leave on the nominal liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Authority has assessed the actuarial advice based on its circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

##### b. Long service leave and superannuation

The Authority's liability for long service leave is recognised in the provision for personnel services and measured as the present value of expected future payments to be made in respect of personnel services received up to the reporting date. Consideration is given to salary levels, long service leave balance, assumed rates of taking leave in service, rates of death, disablement, retirement, and resignation, and rates of salary escalation.

Expected future payments (over twelve months) are discounted using markets yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The calculation is performed by a qualified actuary. The discount rate used is 3.0% (2014: 3.50%).

Superannuation is actuarially assessed prior to each reporting date and is measured at the present value of the estimated future payments. The amount recognised is the net total of the present value of the defined benefit obligation at the reporting date, minus the fair value at that date of any plan assets out of which the obligation is to be settled directly.

The actuarial assessment of superannuation uses the Projected Unit Credit Method and reflects estimated future salary increases and the benefits set out in the terms of the plan. The liabilities are discounted using the market yield rate on government bonds of similar maturity to those obligations. Actuarial assumptions are unbiased and mutually compatible and financial assumptions are based on market experience for the period over which the obligations are to be settled.

##### c. Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

##### iii. Restoration provision (building leases)

A restoration provision is recognised for the estimate of future payments for restoration upon the termination of the leases of the current office premises.

##### iv. Provision for outstanding Nominal Defendant claims

The liability for outstanding Nominal Defendant claims as at end of the financial year are valued by an independent professional claims assessor. As the claims are expected to be fully settled within 12 months no discount for the time value of money is applied.

##### v. Other provisions

Other provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### i. Fair value hierarchy

A number of the Authority's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Authority categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

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

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Refer Note 16 and Note 8 for further disclosures regarding fair value measurements of financial and non-financial assets.

##### j. Equity and reserves

###### Accumulated Funds

The category 'Accumulated funds' includes all current and prior period retained funds.

##### k. Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements is explained in Note 14.

##### l. Comparative information

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

##### m. Changes in accounting policy, including new or revised Australian Accounting Standards

###### Application of new and revised Accounting Standards issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective. These new Standards will not have any direct impact on the financial performance or position of the Authority.

- AASB 9, AASB 2010-7, AASB 213-9 (Part C), AASB 2014-1 (Part E), AASB 2014-7 and AASB 2014-8 regarding financial instruments
- AASB 15 and AASB 2014-5 regarding Revenue from Contracts with Customers
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle
- AASB 2015-2 regarding amendments to AASB 101 disclosure initiatives
- AASB 2015-3 regarding materiality.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 2. EXPENSES EXCLUDING LOSSES

	2015 \$'000	2014 \$'000
<b>a. Personnel services</b>		
Salaries and wages (including annual leave)	9,024	8,871
Superannuation – defined contribution plans	758	717
Superannuation – defined benefit plans (including actuarial (gains)/losses)	1,724	1,095
Long service leave	674	435
Workers' compensation insurance	46	92
Payroll tax and fringe benefit tax	523	529
Agency short-term staff	937	743
	<b>13,686</b>	<b>12,482</b>
<b>b. Other operating expenses</b>		
Auditor's remuneration		
– audit of the financial statements	68	68
– internal audit and reviews	183	74
Operating lease rental expense		
– minimum lease payments	1,663	1,814
– other related expenses	366	267
Maintenance	24	41
Insurance	10	13
Assessor fees – Claims	3,062	2,623
Assessor fees – Medical	10,250	10,229
Advertising, promotion and publicity	6	7
Information, communication and technology	491	589
Consultants – actuarial	2,826	1,891
Consultants – other	557	294
Other contractors	1,485	1,133
Legal fees	563	517
Service partnership agreement fees	3,181	2,891
Other miscellaneous	1,272	1,167
	<b>26,007</b>	<b>23,618</b>
<b>c. Depreciation and amortisation expense</b>		
Depreciation		
– Furniture and fittings	1	2
– Leasehold improvement	246	332
– Office equipment	6	6
	<b>253</b>	<b>340</b>
Amortisation		
– Computer software	897	917
	<b>1,150</b>	<b>1,257</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 2. EXPENSES EXCLUDING LOSSES (CONTINUED)

	2015 \$'000	2014 \$'000
<b>d. Grants and subsidies</b>		
Rehabilitation	2,211	2,584
Road safety	2,013	1,768
	<b>4,224</b>	<b>4,352</b>
<b>e. Finance costs</b>		
Unwinding of discount rate on Nominal Defendant claims liability	-	927
<b>f. Other expenses</b>		
Bulk Billing fees – Ambulance Service of NSW	34,240	33,405
Bulk Billing fees – NSW Ministry of Health	113,326	108,677
Processing fees – Road and Maritime Services	3,934	20,042
NDF claims expenses	11,507	1,337
Movement in outstanding Nominal Defendant claims (refer Note 11)	(15,785)	(2,592)
NDF transfer of surplus funds to the Policyholders Protection Fund (PPF)	-	44,276
	<b>147,222</b>	<b>205,145</b>

#### 3. REVENUE

<b>a. Investment revenue</b>		
Interest revenue from financial assets not at fair value through profit or loss	1,814	2,066
TCorp Hour-Glass Investment Facilities designated at fair value through profit or loss	-	149
	<b>1,814</b>	<b>2,215</b>
<b>b. Retained taxes, fees and fines</b>		
Fees		
- CTP premium levy	215,788	210,781
Fines		
- CTP premium levy penalty interest	39	1
	<b>215,827</b>	<b>210,782</b>
<b>c. Other revenue</b>		
Nominal Defendant Fund reinsurance recoveries	9,004	9,097
Nominal Defendant Fund contribution from/(to) PPF	(13,139)	28,472
Other miscellaneous	496	539
	<b>(3,639)</b>	<b>38,108</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 4. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2015 \$'000	2014 \$'000
Cash at bank and on hand	42,002	31,275
	<b>42,002</b>	<b>31,275</b>

For the purposes of the Statement of cash flows, cash and cash equivalents includes cash at bank and on hand and highly liquid investments.

Cash and cash equivalent assets recognised in the Statement of financial position are reconciled at the end of the financial year to the Statement of cash flows as follows:

Cash and cash equivalent assets (per Statement of financial position)	42,002	31,275
Closing cash and cash equivalents (per Statement of cash flows)	42,002	31,275

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

Refer to Note 9 for information regarding restricted assets.

#### 5. CURRENT/NON-CURRENT ASSETS – RECEIVABLES

<b>Current</b>		
Retained taxes, fees and fines	19,528	21,569
Prepayments	605	1,601
GST receivable	759	797
NDF receivables	15,333	2,668
Interest receivable	316	–
Other	186	204
	<b>36,727</b>	<b>26,839</b>
<b>Non-Current</b>		
NDF receivables	–	25,804
	<b>–</b>	<b>25,804</b>
<b>TOTAL RECEIVABLES</b>	<b>36,727</b>	<b>52,643</b>

Other receivables are non-interest bearing and are generally on a 30-day term.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 6. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings \$'000	Leasehold Improvements \$'000	Office Equipment \$'000	Total \$'000
<b>At 1 July 2014 – fair value</b>				
Gross carrying amount	21	3,445	29	3,495
Accumulated depreciation and impairment	(15)	(2,848)	(9)	(2,872)
<b>Net carrying amount</b>	<b>6</b>	<b>597</b>	<b>20</b>	<b>623</b>

#### At 30 June 2015 – fair value

Gross carrying amount	21	3,445	29	3,495
Accumulated depreciation and impairment	(16)	(3,094)	(15)	(3,125)
<b>Net carrying amount</b>	<b>5</b>	<b>351</b>	<b>14</b>	<b>370</b>

#### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Furniture & Fittings \$'000	Leasehold Improvements \$'000	Office Equipment \$'000	Total \$'000
<b>Year ended 30 June 2015</b>				
Net carrying amount at start of financial year	6	597	20	623
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(1)	(246)	(6)	(253)
Write-back of depreciation on disposal	-	-	-	-
<b>Net carrying amount at end of financial year</b>	<b>5</b>	<b>351</b>	<b>14</b>	<b>370</b>

#### At 1 July 2013 – fair value

Gross carrying amount	21	3,445	29	3,495
Accumulated depreciation and impairment	(13)	(2,516)	(3)	(2,532)
<b>Net carrying amount</b>	<b>8</b>	<b>929</b>	<b>26</b>	<b>963</b>

#### At 30 June 2014 – fair value

Gross carrying amount	21	3,445	29	3,495
Accumulated depreciation and impairment	(15)	(2,848)	(9)	(2,872)
<b>Net carrying amount</b>	<b>6</b>	<b>597</b>	<b>20</b>	<b>623</b>



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 6. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

##### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

	Furniture & Fittings \$'000	Leasehold Improvements \$'000	Office Equipment \$'000	Total \$'000
<b>Year ended 30 June 2014</b>				
Net carrying amount at start of financial year	8	929	26	963
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(2)	(332)	(6)	(340)
Write-back of depreciation on disposal	-	-	-	-
<b>Net carrying amount at end of financial year</b>	<b>6</b>	<b>597</b>	<b>20</b>	<b>623</b>

#### 7. INTANGIBLE ASSETS

	Software \$'000	Total \$'000
<b>At 1 July 2014</b>		
Cost (gross carrying amount)	3,334	3,334
Accumulated amortisation and impairment	(2,115)	(2,115)
<b>Net carrying amount</b>	<b>1,219</b>	<b>1,219</b>

##### At 30 June 2015

Cost (gross carrying amount)	3,334	3,334
Accumulated amortisation and impairment	(3,012)	(3,012)
<b>Net carrying amount</b>	<b>322</b>	<b>322</b>

##### Reconciliation

A reconciliation of the carrying amount of each class of intangible assets at the beginning and end of the current reporting period is set out below:

##### Year ended 30 June 2015

Net carrying amount at start of financial year	1,219	1,219
Amortisation expense	(897)	(897)
<b>Net carrying amount at end of financial year</b>	<b>322</b>	<b>322</b>

##### At 1 July 2013

Cost (gross carrying amount)	3,250	3,250
Accumulated amortisation and impairment	(1,198)	(1,198)
<b>Net carrying amount</b>	<b>2,052</b>	<b>2,052</b>

##### At 30 June 2014

Cost (gross carrying amount)	3,334	3,334
Accumulated amortisation and impairment	(2,115)	(2,115)
<b>Net carrying amount</b>	<b>1,219</b>	<b>1,219</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 7. INTANGIBLE ASSETS (CONTINUED)

##### Reconciliation

A reconciliation of the carrying amount of each class of intangible assets at the beginning and end of the previous reporting period is set out below:

	Software \$'000	Total \$'000
<b>Year ended 30 June 2014</b>		
Net carrying amount at start of financial year	2,052	2,052
Additions	84	84
Amortisation expense	(917)	(917)
<b>Net carrying amount at end of financial year</b>	<b>1,219</b>	<b>1,219</b>

#### 8. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

##### Valuation techniques, inputs and processes

All of the Authority's assets are non-specialised and are measured using the market approach. NSW Treasury Policy paper 14-01 Valuation of Physical Non-Current Assets at Fair Value allows non-specialised assets with short useful lives to be recognised at depreciated historical cost as a surrogate for fair value. Depreciated historical cost is an appropriate surrogate for fair value because any difference between fair value and depreciated historical cost is unlikely to be material and the benefit of ascertaining a more accurate fair value does not justify the additional cost of obtaining it.

NSW Treasury have advised that assets measured using depreciated historical cost as a surrogate for fair value do not require fair value hierarchy disclosures under AASB 13 Fair Value Measurement.

#### 9. RESTRICTED ASSETS

Under the *Motor Accidents Compensation Act 1999*, the Nominal Defendant meets CTP claims from policies issued by insolvent insurers. For the purposes of the Act, the Authority is the Nominal Defendant. Following the collapse of HIH Insurance Limited (HIH), the Nominal Defendant became responsible for the liabilities owed to policyholders. The Nominal Defendant is also entitled to recoveries by the liquidator of HIH from reinsurers of HIH. The Authority engaged Allianz Australia Insurance Limited to manage the claims on its behalf. A management fee of approximately 10 per cent on costs incurred is paid to Allianz. A Variation Agreement to Claims Management and Agency Agreement with provisions for incentives based on performance in claims management against the industry standard was signed on 5 January 2005. At 30 June 2015, the HIH liabilities were valued by an independent claims assessor. All outstanding claims are projected to be settled within the next 12 months and accordingly are no longer discounted for the time value of money.

Funds held by the Nominal Defendant are only able to be used to meet the obligation of the Nominal Defendant and can not be used to meet the Authority's operational requirements.

	2015 \$'000	2014 \$'000
<b>Nominal Defendant Fund</b>		
Expenses excluding losses		
NDF claims expenses	11,507	1,337
NDF finance cost	-	927
Movement in outstanding Nominal Defendant claims	(15,785)	(2,592)
NDF other expenses	637	419
NDF transfer of surplus funds to the Policyholders Protection Fund (PPF)	-	44,276
	<b>(3,641)</b>	<b>44,367</b>
<b>Revenue</b>		
Nominal Defendant Fund reinsurance recoveries	9,004	9,097
Nominal Defendant Fund contribution from PPF	(13,139)	28,472
Interest revenue	494	713
	<b>(3,641)</b>	<b>38,282</b>
<b>Net result</b>	<b>-</b>	<b>(6,085)</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 9. RESTRICTED ASSETS (CONTINUED)

	2015 \$'000	2014 \$'000
<b>Assets</b>		
Cash and cash equivalents	5,476	6,718
Prepayments	542	1,590
GST receivable	51	30
NDF receivables	15,333	28,472
	<b>21,402</b>	<b>36,810</b>
<b>Liabilities</b>		
Accrued expenses	587	210
Outstanding Nominal Defendant claims	20,815	36,600
	<b>21,402</b>	<b>36,810</b>
<b>Net assets</b>	-	-
<b>TOTAL EQUITY</b>	-	-

#### 10. CURRENT LIABILITIES – PAYABLES

Creditors	189	126
Accrued bulk billing fees	-	12,286
Accrued expenses	5,284	7,623
Payroll tax and fringe benefits tax	43	49
Accrued salaries, wages and on-costs	278	221
	<b>5,794</b>	<b>20,305</b>

Refer to Note 16 for further information regarding credit risk, liquidity risk, and market risk, including a maturity analysis of the above payables.

#### 11. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS

##### CURRENT

##### Personnel services and related on-costs

Annual leave	897	888
Long service leave	3,299	2,743
	<b>4,196</b>	<b>3,631</b>

##### Other provisions

Outstanding Nominal Defendant claims	20,815	10,976
	<b>20,815</b>	<b>10,976</b>
<b>TOTAL CURRENT PROVISIONS</b>	<b>25,011</b>	<b>14,607</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 11. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (CONTINUED)

It is expected that the current leave provisions and related on-costs will be settled over the following period:

	2015 \$'000	2014 \$'000
<b>Expected to be settled no more than twelve months</b>		
Annual leave and related on-costs	897	888
Long service leave and related on-costs	92	155
	<b>989</b>	<b>1,043</b>
<b>Expected to be settled after more than twelve months</b>		
Long service leave and related on-costs	3,207	2,588
<b>NON-CURRENT</b>		
<b>Personnel services and related on-costs</b>		
Long service leave	93	58
Superannuation	6,632	4,988
	<b>6,725</b>	<b>5,046</b>
<b>Other provisions</b>		
Restoration costs	765	765
Outstanding Nominal Defendant claims	-	25,624
	<b>765</b>	<b>26,389</b>
<b>Total non-current provisions</b>	<b>7,490</b>	<b>31,435</b>
<b>TOTAL PROVISIONS</b>	<b>32,501</b>	<b>46,042</b>
<b>Aggregate employee benefits and related on-costs</b>		
Provisions – current	4,196	3,631
Provisions – Non-current	6,725	5,046
Accrued salaries, wages and on-costs (Note 10)	278	221
	<b>11,199</b>	<b>8,898</b>

#### Movements in provisions (other than employee benefits)

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

	Outstanding Nominal Defendant claims \$'000	Restoration costs \$'000	Total \$'000
Carrying amount at the beginning of financial year	36,600	765	37,365
Reduction in provision	(4,278)	-	(4,278)
Amounts used	(11,507)	-	(11,507)
<b>Carrying amount at end of financial year</b>	<b>20,815</b>	<b>765</b>	<b>21,580</b>

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 11. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (CONTINUED)

##### Provision for Outstanding Nominal Defendant claims

The Nominal defendant liabilities are measured at the amount expected to be paid to settle the claim (Refer Note 9 for details of the Nominal Defendant). The amount expected to settle the claim has been determined by an expert external claims assessor who has extensive experience in relation to the HIH claims portfolio. The estimated settlement amounts are as follows:

	2015 \$'000	2014 \$'000
Not later than one year	20,815	10,976
Later than one year but not later than five years	–	25,624
Later than five years	–	–
<b>Total</b>	<b>20,815</b>	<b>36,600</b>

The relevant rates and discount factors (per annum) below were used in actuarial valuation of the HIH liabilities.

	2015 %	2014 %
<b>Claims expected to be paid not later than one year</b>		
Inflation rate	0.0	3.0
Discount rate	0.0	2.5
<b>Claims expected to be paid later than one year</b>		
Inflation rate	0.0	3.3 – 3.6
Discount rate	0.0	2.7 – 4.9

Inflation rates and discount factors are not used for the current year to value outstanding claims because the claims are due to be settled in the next 12 months.

#### 12. COMMITMENTS FOR EXPENDITURE

##### Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable:

Not later than one year	1,905	1,934
Later than one year but not later than five years	800	2,812
Later than five years	–	–
<b>Total (including GST)</b>	<b>2,705</b>	<b>4,746</b>

Expenditure commitments for the Authority include input tax credits of \$0.2M (2014: \$0.4M) which are expected to be recovered from the Australian Taxation Office.

#### 13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible liability that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Authority. The Authority does not recognise a contingent liability but discloses its existence where outflows of economic benefits are probable, but not virtually certain. A contingent asset is the opposite of a contingent liability.

The Authority does not have any contingent asset or liability at reporting date (2014: nil).

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 14. BUDGET REVIEW

##### Net result

The net result is \$7.5m unfavourable to budget mainly due to lower retained taxes, fees and fines collections. This is primarily the result of adjustments to the MCIS levy rate approved by the Board in October 2014. The 2014/15 rate was 10.5% to 31 January 2015 and 9.0% from 1 February 2015. The budget assumed the rate from 1 January 2015 would be 9.5%.

##### Assets and liabilities

- Total assets were \$3.4m unfavourable to budget primarily due to:
  - lower cash levels as a result of an adjustments to the MCIS levy rate, and
  - increased receivables from Treasury's Policyholders Protection Fund to settle the remaining claims in the Nominal Defendant Fund.
- Total liabilities were \$9.4m unfavourable to budget primarily due to:
  - an increase from budgeted levels of liabilities of the Nominal Defendant Fund.

##### Cash flows

Total cash flows decreased by \$14.2m mainly due to lower retained taxes, fees and fines collections as per the net result above.

#### 15. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2015 \$'000	2014 \$'000
Net cash flows from/(used in) operating activities	10,727	24,652
Depreciation and amortisation	(1,150)	(1,257)
Net loss on disposal	-	-
<b>Change in assets and liabilities</b>		
Increase/(Decrease) in receivables: current	9,888	(45,417)
Increase/(Decrease) in receivables: non-current	(25,804)	25,804
Decrease/(Increase) in payables: current	14,511	(860)
Decrease/(Increase) in provisions: current	(10,404)	(273)
Decrease in provisions: non-current	23,945	675
<b>NET RESULT</b>	<b>21,713</b>	<b>3,324</b>



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 16. FINANCIAL INSTRUMENTS

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

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

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

#### a. Financial instrument categories

	Notes	Category	Carrying Amount 2015 \$'000	Carrying Amount 2014 \$'000
<b>Financial Assets</b>				
Class:				
Cash and cash equivalents	4	N/A	42,002	31,275
Receivables <sup>1</sup>	5	Loans and receivables (at amortised cost)	15,835	28,676
<b>Financial Liabilities</b>				
Class:				
Payables <sup>2</sup>	10	Financial liabilities (at amortised cost)	5,751	20,256

Notes:

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

#### b. Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

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

Credit risk associated with the Authority's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

#### Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the Reserve Bank of Australia's prevailing cash rate.

#### Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known as uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Authority will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms (2014: 30 days).

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2015: \$6k; 2014: \$6k) and less than 6 months past due (2015: \$92k; 2014: \$19k) are not considered impaired. Together these represent 64% (2014: 89%) of the total trade debtors.

The only financial assets that are past due are 'rendering of services' in the 'receivables' category of the Statement of financial position.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 16. FINANCIAL INSTRUMENTS (CONTINUED)

##### b. Credit risk (Continued)

	Total <sup>1,2</sup> \$'000	Past Due but not Impaired <sup>1,2</sup> \$'000	Considered Impaired <sup>1,2</sup> \$'000
<b>Receivables – trade debtors</b>			
<b>2015</b>			
< 3 months overdue	88	88	–
3 months – 6 months overdue	1	1	–
> 6 months overdue	43	–	43
<b>2014</b>			
< 3 months overdue	13	13	–
3 months – 6 months overdue	6	6	–
> 6 months overdue	91	91	–

Notes:

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the statement of financial position.

##### c. Liquidity risk

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

The Authority's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular NSWTC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid, automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Chief Executive Officer of the Authority (or a person appointed by the Chief Executive Officer of the Authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was 10.61% (2014: 10.63%).

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

	Weighted Average Effective Interest Rate %	Nominal Amount \$'000	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000	< 1 year \$'000	1–5 years \$'000	> 5 years \$'000
<b>2015</b>								
Payables	N/A	5,751	–	–	5,751	5,751	–	–
<b>2014</b>								
Payables	N/A	20,256	–	–	20,256	20,256	–	–

Notes:

- The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Authority can be required to pay. The tables include both interest (if applicable) and principal cash flows and therefore may not reconcile to the statement of financial position.

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

## Motor Accidents Authority

### NOTES TO THE FINANCIAL STATEMENTS

#### 16. FINANCIAL INSTRUMENTS (CONTINUED)

##### d. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority has no exposure to other price risk as it holds no financial instruments with TCorp. The Authority's main financial instrument is cash which is held within the NSW Treasury Banking System.

The effect on profit or loss, and equity due to a reasonably possible change in risk variable is outlined in the information below for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of financial position date. The analysis is performed on the same basis for 2014. The analysis assumes that all other variables remain constant.

##### Interest rate risk

Exposure to interest rate risk arises primarily through interest-bearing liabilities. The Authority does not have such exposure because it does not have any interest bearing liability nor does it hold or account for any fixed rate financial instruments at fair value through profit or loss. A reasonably possible change of percentage (as in table below) is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Authority's exposure to interest rate risk is set out below.

	Carrying Amount \$'000	-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>2015</b>					
<b>Financial assets</b>					
Cash and cash equivalents	42,002	(420)	(420)	420	420
<b>2014</b>					
<b>Financial assets</b>					
Cash and cash equivalents	31,275	(313)	(313)	313	313

#### 17. POST BALANCE DATE EVENTS

##### Defined Benefit Superannuation Liability

The Department of Finance, Services and Innovation (DFSI) have advised the Authority during the 2015/16 budget setting process that the defined benefit superannuation liability for the Authority will be assumed by NSW Treasury in 2015/16. As a result the Authority has budgeted for an equity injection in 2015/16 that will eliminate its defined benefit superannuation liability in 2015/16. The impact of this on the Authority's 2014/15 balance sheet would be to eliminate the defined benefit superannuation liability of \$6.6m and turn the accumulated funds from \$41.1m to \$47.7m. Refer Note 11.

The Authority is awaiting confirmation from NSW Treasury as to whether this will occur in 2015/16.

##### State Insurance & Care Governance Act 2015

This Act was proclaimed effective 1 September 2015 to implement structural changes to the NSW workers compensation system and related compensation agencies. The Act establishes four discrete agencies:

- Insurance & Care NSW: a single insurance and care service provider
- State Insurance Regulatory Authority (SIRA): an independent insurance regulator
- SafeWork NSW: an independent workplace safety regulator
- Sporting Injuries Compensation Authority – an entity to manage the Sporting Injuries Compensation Scheme

Under the Act, the Authority has been abolished and the functions of the Authority have been transferred to the State Insurance Regulatory Authority (SIRA). The SRWS Board has also been abolished.

**- END OF AUDITED FINANCIAL STATEMENTS -**

# BUDGET AND ESTIMATES FOR 2015/16

## Motor Accidents Authority of NSW 2014/15

### Financial Statements

#### Operating Statement

	----- 2014-15 -----		2015-16
	Budget \$000	Revised \$000	Budget \$000
<b>Expenses Excluding Losses</b>			
Operating Expenses –			
Employee related	487	1,048	499
Other operating expenses	38,614	38,547	41,246
Depreciation and amortisation	2,156	1,173	559
Grants and subsidies	6,000	5,570	6,000
Other expenses	151,720	151,450	160,808
<b>TOTAL EXPENSES EXCLUDING LOSSES</b>	<b>198,977</b>	<b>197,788</b>	<b>209,112</b>
<b>Revenue</b>			
Investment revenue	938	1,913	1,171
Retained taxes, fees and fines	227,246	213,839	205,540
Other revenue	...	447	401
<b>Total Revenue</b>	<b>228,184</b>	<b>216,199</b>	<b>207,112</b>
<b>Net Result</b>	<b>29,207</b>	<b>18,411</b>	<b>(2,000)</b>

BUDGET AND ESTIMATES FOR 2015/16  
Motor Accidents Authority of NSW 2014/15

## Balance Sheet

	----- 2014-15 -----		2015-16
	Budget	Revised	Budget
	\$000	\$000	\$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash assets	56,249	51,665	34,456
Receivables	23,650	23,361	32,492
<b>Total Current Assets</b>	<b>79,899</b>	<b>75,026</b>	<b>66,948</b>
<b>Non Current Assets</b>			
Receivables	...	17,659	6,676
Property, plant and equipment –			
Plant and equipment	511	370	161
Intangibles	2,366	299	3,272
<b>Total Non Current Assets</b>	<b>2,877</b>	<b>18,328</b>	<b>10,109</b>
<b>Total Assets</b>	<b>82,776</b>	<b>93,354</b>	<b>77,057</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	21,261	13,604	13,604
Provisions	3,395	3,814	4,158
Other	...	21,317	17,659
<b>Total Current Liabilities</b>	<b>24,656</b>	<b>38,735</b>	<b>35,421</b>
<b>Non Current Liabilities</b>			
Provisions	765	766	766
Other	3,483	16,029	58
<b>Total Non Current Liabilities</b>	<b>4,248</b>	<b>16,795</b>	<b>824</b>
<b>Total Liabilities</b>	<b>28,904</b>	<b>55,530</b>	<b>36,245</b>
<b>Net Assets</b>	<b>53,872</b>	<b>37,824</b>	<b>40,812</b>
<b>Equity</b>			
Accumulated funds	53,872	37,824	40,812
<b>Total Equity</b>	<b>53,872</b>	<b>37,824</b>	<b>40,812</b>

# BUDGET AND ESTIMATES FOR 2015/16

## Motor Accidents Authority of NSW 2014/15

### Cash Flows Statement

	----- 2014-15 -----		2015-16
	Budget	Revised	Budget
	\$000	\$000	\$000
<b>Cash Flows From Operating Activities</b>			
<b>Payments</b>			
Employee related	487	1,048	499
Grants and subsidies	6,000	5,570	6,000
Other	221,133	203,544	224,239
<b>Total Payments</b>	<b>227,620</b>	<b>210,162</b>	<b>230,738</b>
<b>Receipts</b>			
Sale of goods and services	...	...	4,988
Interest received	938	1,913	1,171
Retained taxes, fees and fines	228,086	216,500	205,540
Other	33,931	12,139	5,153
<b>Total Receipts</b>	<b>262,955</b>	<b>230,552</b>	<b>216,852</b>
<b>Net Cash Flows From Operating Activities</b>	<b>35,335</b>	<b>20,390</b>	<b>(13,886)</b>
<b>Cash Flows From Investing Activities</b>			
Purchases of property, plant and equipment	(300)	...	...
Other	(2,894)	...	(3,323)
<b>Net Cash Flows From Investing Activities</b>	<b>(3,194)</b>	<b>...</b>	<b>(3,323)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>32,141</b>	<b>20,390</b>	<b>(17,209)</b>
Opening Cash and Cash Equivalents	24,108	31,275	51,665
<b>Closing Cash and Cash Equivalents</b>	<b>56,249</b>	<b>51,665</b>	<b>34,456</b>
<b>Cash Flow Reconciliation</b>			
Net result	29,207	18,411	(2,000)
Non cash items added back	2,156	1,173	559
Change in operating assets and liabilities	3,972	806	(12,445)
<b>Net Cash Flows From Operating Activities</b>	<b>35,335</b>	<b>20,390</b>	<b>(13,886)</b>



# APPENDICES

## MOTOR ACCIDENTS AUTHORITY

Appendix 1: Legislation	75
Appendix 2: Performance and numbers of senior executives	75
Appendix 3: Government Information (Public Access) Applications	76
Appendix 4: Credit card certification	78
Appendix 5: Response to significant matters raised in the outgoing audit report	79
Appendix 6: Accounts payable performance	79
Appendix 7: Insurance activities	80
Appendix 8: Overseas travel 2014/15	80
Appendix 9: Consultants	81
Appendix 10: Grants	81
Appendix 11: Land disposal	84
Appendix 12: Board and committee meetings	85
Appendix 13: Publication notes	85

## APPENDIX 1: LEGISLATION

The MAA's statutory functions are to ensure compliance with the following legislation:

- *Motor Accidents Act 1988 No 102*
- *Motor Accidents Compensation Act 1999 No 41*
- Motor Accidents Compensation Regulation 2015

## APPENDIX 2: PERFORMANCE AND NUMBERS OF SENIOR EXECUTIVES

	Motor Accidents Authority of NSW	Lifetime Care & Support Authority of NSW	Workers' Compensation (Dust Diseases) Board*	WorkCover Authority
<b>BAND 1</b>				
Male	3	1	0	27
Female	6	1	0	32
<b>Total</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>59</b>
Average Remuneration	151,051	175,342	0	157,644
<b>BAND 2</b>				
Male	2	1	0	6
Female	0	0	0	4
<b>Total</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>10</b>
Average Remuneration	234,993	245,968	0	230,603
<b>BAND 3</b>				
Male	0	0	0	2
Female	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
Average Remuneration	0	0	0	305,518
<b>Senior Executives Total</b>				
Male	5	2	0	35
Female	6	1	0	36
<b>Total</b>	<b>11</b>	<b>3</b>	<b>0</b>	<b>71</b>
<b>Employee Related Costs</b>				
Exec	1,890,072	732,245	4483	15,181,978
Non-Execs	7,053,757	6,919,306	3,160,702	94,917,807
<b>Total</b>	<b>8,943,828</b>	<b>7,651,550</b>	<b>3,165,186</b>	<b>110,099,785</b>
%	21.13%	9.57%	0.14%	13.79%

\* The General Manager Workers Compensation Dust Diseases Board was acting in another role at Census date in 2014/15

# APPENDICES

## APPENDIX 3: GOVERNMENT INFORMATION (PUBLIC ACCESS) APPLICATIONS

The MAA administers and fulfils its obligations under the *Government Information (Public Access) Act 2009 (GIPA Act)*, which focuses on making Government information more readily available.

### GIPA APPLICATIONS JULY 2014 – JUNE 2015

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	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	1**
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)^	0	0	0	0	0	0	0	1
Members of the public (other)	0	2	0	0	0	0	0	0

^ Two applications were carried forward from 2013/2014 reporting period.

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

\*\* Application considered withdrawn as applicant has not refined its request since 14 August 2014.

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*	0	0	0	1	0	0	0	1
Access applications (other than personal information applications)^	0	2	0	0	0	0	0	1**
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

^ Two applications were carried forward from 2013/14 reporting period.

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

\*\* Application considered withdrawn as applicant has not refined its request since 14 August 2014.

TABLE C: INVALID APPLICATIONS

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

**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	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
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 in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT**

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	2
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**TABLE F: TIMELINES**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1
Decided after 35 days (by agreement with applicant)^	2
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>3</b>

^ Applicant's application carried forward from 2012-2013 reporting period.

**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	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
<b>Total</b>			<b>0</b>

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

**TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)**

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

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# APPENDICES

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## PRIVACY AND PERSONAL INFORMATION

### *Privacy and Personal Information Protection Act 1998 (PPIP Act) and Health Records and Information Privacy Act 2002 (HRIP Act)*

The PPIP Act and HRIP Act deal with how all NSW public sector agencies, including the MAA, must manage personal and health information.

All personal information held by the MAA is managed in accordance with NSW 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, samples).

## APPENDIX 4: CREDIT CARD CERTIFICATION

Credit card use within SRWS is certified in accordance with Premier's Memorandum and Treasurer's directions. SRWS has a rigorous process in place to ensure full accountability for the use of credit cards.



**Safety, Return to Work  
& Support**

**Safety, Return to Work and Support**  
92-100 Donnison Street, Gosford, NSW 2250  
Locked Bag 2906, Lisarow, NSW 2252  
t 02 4321 5000 f 02 4325 4145

3 September 2015

Our Ref: WC01358/15

The Hon Dominic Perrottet MP  
Minister for Finance, Services and Property  
Member for Hawkesbury  
GPO Box 5341  
SYDNEY NSW 2000

Dear Minister

The New South Wales Treasury Policy & Guidelines Paper on Credit Card use requires Chief Executive Officers to certify to their Minister that credit card use in their department/s is in accordance with the Premier's Memorandum and Treasurer Directions.

On Behalf of Safety, Return to Work and Support I certify that all cardholders for the period of 1 July 2014 to 30 June 2015 have used their cards in accordance with SRWS Corporate and Purchasing Credit Card Policy and in accordance with the Premier's Memorandum and Treasurer Directions.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Vivek Bhatia', with a horizontal line underneath.

**Vivek Bhatia**  
Chief Executive Officer  
**Safety, Return to Work and Support**

## APPENDIX 5: RESPONSE TO SIGNIFICANT MATTERS RAISED IN THE OUTGOING AUDIT REPORT

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

## APPENDIX 6: ACCOUNTS PAYABLE PERFORMANCE

### PAYMENTS OF ACCOUNTS – ALL SUPPLIERS

Amounts outstanding to suppliers at the end of each quarter of the year were:

2014/15	June Quarter	March Quarter	December Quarter	September Quarter
<b>Current</b>	<b>\$0</b>	<b>\$1,367</b>	<b>\$0</b>	<b>\$0</b>
<30 days overdue	\$159,503	\$48,592	\$13,167	\$95,346
>30 and <60 days overdue	\$26,309	\$4,686	\$52,882	\$12,993
>60 days and <90 days	\$2,556	\$0	\$8,258	\$0
90 days and over	\$1,092	\$14,000	\$14,000	\$243,580

Amounts paid to suppliers at the end of each quarter of the year were:

2014/15	2014/15 Total	June Quarter*	March Quarter	December Quarter	September Quarter
Number of accounts due for payment	11,435	3,139	2,731	2,776	2,789
Number of accounts paid on-time	11,401	3,120	2,729	2,766	2,786
% accounts paid on-time (based on number of accounts)	100%	99%	100%	100%	100%
Dollar amount of accounts due for payment	\$185,541,478	\$55,397,077	\$42,219,154	\$43,149,608	\$44,775,639
Dollar amount of accounts paid on-time	\$185,474,432	\$55,378,534	\$42,217,623	\$43,109,725	\$44,768,550
% of accounts paid on-time (based on \$)	100%	99%	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 quarter of the year were:

2014/15	2014/15 Total	June Quarter	March Quarter	December Quarter	September Quarter
Number of accounts due for payment	395	107	90	94	104
Number of accounts paid on-time	395	107	90	94	104
% accounts paid on-time (based on number of accounts)	100%	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$798,802	\$204,999	\$182,910	\$184,830	\$226,063
Dollar amount of accounts paid on-time	\$798,802	\$204,999	\$182,910	\$184,830	\$226,063
% of accounts paid on-time (based on \$)	100%	99%	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

The Motor Accidents Authority has a target of 95 per cent of invoices paid on-time. In 2014/15 this target was exceeded with 100 per cent achieved in three quarters and 99 per cent in one quarter.

### INTEREST ON LATE PAYMENTS:

The Motor Accidents Authority did not incur interest penalties for late payments to small suppliers.



# APPENDICES

## APPENDIX 7: INSURANCE ACTIVITIES

	2014/15	2013/14	2012/13	2011/12	2010/11
<b>Workers Compensation:</b>					
No. of employees	96	95	*177	*174	*185
No. of claims	0	2	3	12	10
No. of claims per employee	0	0.02	0.02	0.07	0.05
Total cost of claims	0	\$15,794	\$7,627	\$209,476	\$184,885
Average claim cost	0	\$7,897	\$2,542	\$17,456	\$18,489

\*MAA policy inclusive of LTCSA staff

Note: Information about workers compensation claims is current at reporting date 30 June 2015. For 2011 to 2014, data has changed accordingly.

### Motor vehicles: (Total Claims)

Vehicles	2	2			
Number of claims	1	1	1	1	3
No. of claims per vehicle		0.5			
Total cost of claims	\$8,786	\$8,595	\$1,003	\$1,619	\$2,312
Average cost per claim	\$8,786	\$8,595	\$1,003	\$1,619	\$771
Average cost per vehicle	\$4,393	\$4,297			

### Property:

Number of claims	Nil	Nil	Nil	Nil	1
No. of claims per employee					0.005405405
Total cost of claims					\$1,350
Average cost per claim					\$1,350
Average cost per employee					\$7.297297297

### Liability:

Number of claims	Nil	Nil	Nil	Nil	Nil
Total cost of claims					
Average claim					

### Miscellaneous:

Number of claims	Nil	Nil	Nil	Nil	Nil
Total cost of claims					
Average claim					

## APPENDIX 8: OVERSEAS TRAVEL 2014/15

No overseas travel by a staff member was undertaken during the reporting year.

## APPENDIX 9: CONSULTANTS

Vendor	Description	Vendor total
Ernst & Young	Actuarial services for scheme monitoring services listed in the schedule of works in the contract, premium filing and other ad-hoc tasks.	2,095,006
Deloitte Actuaries & Consultants Ltd	Actuarial services in relation to the economic review of insurer's profit project.	587,813
Siggins Miller Consultants Pty Ltd	Services provided for the facilitation of customer focus groups.	265,094
Maydark Pty Ltd	CTP enhancement project – independent expert advisor.	163,400
Taylor Fry Consulting Actuaries	Actuarial services in relation to the HIH Nominal Defendant liabilities.	137,836
Trevor Matthews	Chairman of the NSW CTP Insurer Profits Review Committee.	71,650
<b>Total greater than \$50,000</b>		<b>\$3,320,799</b>
<b>Plus 9 Consultants \$50,000 and under</b>		<b>61,915</b>
	Management Services	43,893
	Environmental	12,912
	Legal	5,110
<b>Total consultants</b>		<b>\$3,382,714</b>

## APPENDIX 10: GRANTS

### MAA GRANTS AWARDED IN 2014/15

#### Non-government grants

Grants awarded to an external non-government organisation for a specific program

Recipient organisation	Amount of funding awarded	Nature and purpose (incl. aims, target clients and area of coverage)
CareFlight NSW	\$10,454	Rural trauma education workshop

#### Research grants

Grants awarded to academic and health service Institutions.

Recipient Organisation	Amount of funding awarded	Nature and purpose ( incl. aims and target clients)
The John Walsh Centre for Rehabilitation Research. Northern Sydney Local Health District and the University of Sydney	\$2,500,000	The John Walsh Centre for Rehabilitation Research is an interdisciplinary research and educational centre that focuses on injury recovery and related disability. This 5 year grant is an MAA and Lifetime Care and Support Authority partnership initiative.
Sydney Local Health District, Royal Prince Alfred Hospital trauma service	\$416,500	To implement and evaluate a new model of care for the use of interventional radiology to improve the outcomes of very severely injured patients.
Whitlam Orthopaedic Research Centre	\$304,428	Investigating the optimum pain management for orthopaedic trauma after discharged from hospital.
The John Walsh Centre for Rehabilitation Research	\$199,508	Investigating effective methods to prevent psychological injury after a car accident.
The John Walsh Centre for Rehabilitation Research	\$124,759	Developing online exercises for injured people in collaboration with their physiotherapists.
The John Walsh Centre for Rehabilitation Research	\$97,201	Investigating the development of psychological injuries after a motor vehicle accident.
Pain Management and Research Centre Royal North Shore Hospital	\$55,000	Develop and evaluate a brief pain self-management approach that can be used by General Practitioners treating patients with persisting pain.
The George Institute for Global Health	\$50,000	Support of the PEDro evidence database for physiotherapy intervention.
Sax Institute	\$37,000	Evidence check about effective public health campaigns after trauma.

# APPENDICES

Recipient Organisation	Amount of funding awarded	Nature and purpose ( incl. aims and target clients)
Pain Management and Research Centre Royal North Shore Hospital	\$33,200	Develop and evaluate a brief self-management approach that can be used by physiotherapists treating patients who have pain.
The University of Queensland	\$19,868	Support of the OTseeker evidence database for occupational therapy interventions.
University of Sydney	\$15,000	Exploring the feasibility of text messaging to support people with chronic whiplash.
Mid North Coast Local Health District	\$15,000	Creating a concussion clinic in the Mid North Coast Brain Injury Rehabilitation Service.
Hunter New England Local Health District	\$14,900	Gap analysis about the needs of children and young people with mild-moderate traumatic brain injury in the Hunter Valley Region.
The University of Sydney	\$14,282	Support of the SpeechBITE evidence database for occupational therapy interventions.
Westmead Hospital Trauma Service	\$14,082	To analyse if interdisciplinary trauma team simulation training translates into better patient outcomes and trauma team performance.
The John Walsh Centre for Rehabilitation Research	\$5,700	An interdisciplinary education forum about injury and disability.
The John Walsh Centre for Rehabilitation Research	\$5,400	Workshop series 2015. Psychology and Chronic Pain seminars.
Australian Psychological Society	\$3,600	Psychological recovery following injury seminar.

## FUNDING EXPENDED IN 2014/15

### Research grants

Funds provided to universities and other service providers to support better outcomes for patients.

Recipient organisation	Amount of funding expended in 2014/15	Nature and purpose (incl. aims, target clients and area of coverage)
St Vincent's Hospital	\$41,910	A study to determine if very early rehabilitation after a motor vehicle crash improves health and social outcomes.
Macquarie University	\$136,012	Examining the factors for successful return to work after a moderate traumatic brain injury.
University of Western Sydney	\$7,699	Identification and treatment of people at risk of developing chronic pain and anxiety after a car crash.
Macquarie University	\$45,187	This project explores how best to provide a chronic pain management intervention and the cost effectiveness of the intervention.
Whitlam Orthopaedic Research Centre	\$41,193	This study aimed to measure the rate of continuing opioid use and dependence after major orthopaedic injury and to determine what factors are associated with these outcomes.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$277,500	The study of 2,400 people injured in a crash in NSW to understand their health and social outcomes over a two year period.
Royal Prince Alfred Hospital	\$5,000	Upgrade of trauma training course materials at RPAH.
Lismore Base Hospital, Northern NSW Local Health District,	\$7,859	Development of mild- moderate brain injury e- learning modules for Northern NSW health professionals.
South Western Sydney Local Health District, Ingham Institute	\$215,058	Post-Doctoral Fellowship.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$90,218	Post-Doctoral Fellowship.

Recipient organisation	Amount of funding expended in 2014/15	Nature and purpose (incl. aims, target clients and area of coverage)
St Vincent's Hospital	\$5,000	Examining NSW rehabilitation outcomes after a motor vehicle crash using data linkage techniques.
Faculty of Health Sciences, The University of Sydney	\$7,143	Maintenance and management of the SpeechBITE evidence database for speech therapy interventions.
Illawarra Brain Injury Service, Port Kembla Hospital	\$721	Introduction in the Illawarra of a program for the use of portable electronic devices as memory aids for people with a traumatic brain injury.
St George Hospital	\$3,342	Implementation of best practice of care in St George Hospital for patients with chest injuries.
Faculty of Health Sciences, The University of Sydney	\$4,880	Examining the delivery of evidence based management of whiplash on health outcomes.
Faculty of Health Sciences, The University of Sydney	\$4,000	Developing a website for the management of whiplash.
Faculty of Law, Monash University	\$30,077	Investigating how injured people seek claims advice when making a NSW CTP claim.
Lifetime Care and Support Authority (lead agency)	\$49,441	Vocational Intervention Program: establishing and evaluating a best practice vocational intervention program for people with traumatic brain injury. This is a partnership grant with the MAA and WorkCover NSW.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$13,440	Clarifying the extent and nature of psychological injury associated with motor vehicle crashes.
The George Institute for Global Health, The University of Sydney	\$1,454	Investigating health and related outcomes in older people injured in motor vehicle crashes.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$8,400	Updating the PsycBITE evidence database to support subscriber services.
Southern NSW Local Health District	\$5,000	Enhancing chronic and complex pain management service for the Bega Valley through professional up-skilling and the development of partnerships with a tertiary chronic pain service.
Royal Prince Alfred Hospital	\$7,000	Integrating education and training modules into a smart phone acute trauma app for emergency department health professionals.
St Vincent's Hospital	\$7,340	Creation of chronic pain patient videos, education and treatment guidance.
Pain Management and Research Centre, Royal North Shore Hospital	\$13,000	Train the trainers education to support webinars in chronic pain management skills.
Mid North Coast Local Health District	\$7,450	Creating a concussion clinic in the Mid North Coast Brain Injury Rehabilitation Service.
Hunter New England Local Health District	\$7,450	Gap analysis, exploring the needs of children and young people with mild-moderate traumatic brain injury in the Hunter Valley Region.
Australian Psychological Society	\$3,600	A seminar about the psychological aspects of injury.
The University of Sydney	\$13,500	Exploring the feasibility of text messaging to support people with chronic whiplash in NSW.
John Walsh Centre for Rehabilitation Research, Kolling Institute, The University of Sydney	\$9,975	Investigating effective methods to prevent psychological injury after a car crash in NSW.
The George Institute for Global Health, The University of Sydney	\$50,000	Maintenance and management of the PEDro evidence database for physiotherapy interventions acute trauma app for emergency department health professionals.

# APPENDICES

Recipient organisation	Amount of funding expended in 2014/15	Nature and purpose (incl. aims, target clients and area of coverage)
Faculty of Health Sciences, The University of Sydney	\$14,285	Maintenance and management of the SpeechBITE evidence database for speech therapy interventions.
Department of Occupational Therapy, The University of Queensland	\$19,868	Maintenance and management of the OTseeker evidence database for occupational therapy interventions.
Northern Sydney Local Health District	\$456,296	The John Walsh Centre for Rehabilitation Research is an interdisciplinary research and educational centre that focuses on injury related disability. This 5 year grant is an MAA and Lifetime Care and Support partnership initiative.
Sax Institute	\$37,000	Evidence check about effective public health campaigns after trauma.
Royal Prince Alfred Hospital	\$104,000	To implement and evaluate a new model of care for the use of interventional radiology to improve the outcomes of very severely injured patients.
Westmead Hospital	\$7,041	Investigating the redesign of interdisciplinary trauma team training on Health service and patient outcomes.
Whitlam Orthopaedic Research Centre	\$30,442	Investigating optimum pain management medication for orthopaedic trauma after discharged from hospital.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$4,860	Investigating the development and trajectory of psychological injuries after a motor vehicle accident.
Pain Management and Research Centre, Royal North Shore Hospital	\$25,000	Development and evaluation of a brief pain self-management approach that can be used by General Practitioners treating patients with persisting pain.
Pain Management and Research Centre, Royal North Shore Hospital	\$14,940	Development and evaluation of a brief pain self-management approach that can be employed by General Practitioners for patients with persisting injury-related pain.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$3,400	Psychology and Chronic Pain seminars.
The John Walsh Centre for Rehabilitation Research, The Kolling Institute, The University of Sydney	\$10,000	An interdisciplinary education forum about injury and disability.
The University of NSW	\$50,000	Heavy Vehicle Safety Management research.

## Non-Government community organisations

Funds provided to an external non-government community organisation for a specific program.

Recipient organisation	Amount of funding provided	Nature and purpose (incl. aims, target clients and area of coverage)
CareFlight NSW	\$10,454	Training workshop for volunteer emergency service personnel in regional, rural and remote areas of NSW.

## APPENDIX 11: LAND DISPOSAL

MAA did not dispose of any land in the 2014/15 financial year.

## APPENDIX 12: BOARD AND COMMITTEE MEETINGS

### DIRECTORS' MEETINGS

During 2014/15, the SRWS meetings held and attendance by directors were:

SRWS Board	Number eligible to attend	Number attended
Michael Carapiet (Chair)	11	11
Raymond Whitten (Deputy Chair)	11	11
Gavin Bell – Director	11	10
Elizabeth Carr – Director	11	11
Mark Lennon – Director	11	10
Peeyush Gupta – Director	11	11
Vivek Bhatia (CEO)*	10	10
Julie Newman (former CEO)	1	1

\*Mr Vivek Bhatia was appointed as CEO of SRWS in August 2014

### BOARD COMMITTEES

The Board is able to establish committees to assist with the performance of its general functions. There are currently three committees administered by the Board:

- Audit and risk committee
- Investment committee
- Human resources committee

#### Audit and risk committee

The role of the audit and risk committee is to provide independent assistance to the board and the Workers' Compensation (Dust Diseases) Board of the administration and operation of governance, risk management and control frameworks.

The committee provides an integral role in supporting the Board to fulfil its corporate governance and oversight responsibilities, and to make decisions in relation to areas such as financial reporting, internal control and associated risk management systems, and internal and external audit functions.

#### SRWS AUDIT AND RISK COMMITTEE ATTENDANCE

SRWS audit and risk committee	Number eligible to attend	Number attended
Raymond Whitten (Chair)	6	6
Elizabeth Carr	6	6
Mark Lennon	6	4
Ray Petty	6	5
Vivek Bhatia (CEO)*	5	5
Julie Newman (former CEO)	1	1

\* The CEO is a standing invitee. Mr Vivek Bhatia was appointed as CEO of SRWS in August 2014

### Investment committee

The role of the investment committee is to determine the policies, practices and strategies for investments of the relevant SRWS funds. This includes monitoring the investment performance of the funds and reviewing investment compliance.

The investment committee provides an integral role in supporting the Board to fulfil its investment responsibilities and to make decisions in relation to investment policies, investment objectives, strategic asset allocations and the risk profiles of the funds.

#### INVESTMENT COMMITTEE ATTENDANCE

Investment committee	Number eligible to attend	Number attended
Peeyush Gupta (Chair)	10	9
Michael Carapiet	10	10
Gavin Bell	10	7
Raymond Whitten	10	9
Vivek Bhatia (CEO)*	9	9
Julie Newman (former CEO)	1	1

\* The CEO is a standing invitee. Mr Vivek Bhatia was appointed as CEO of SRWS in August 2014

### Human resources committee

The role of the human resources committee is to support the Board by reviewing and monitoring the development and implementation of relevant human resource strategies and initiatives to ensure as far as practicable, that the activities of the SRWS are carried out properly and efficiently.

#### HUMAN RESOURCES COMMITTEE ATTENDANCE

Human resources committee	Number eligible to attend	Number attended
Gavin Bell (Chair)	4	4
Elizabeth Carr	4	4
Michael Carapiet	4	4
Vivek Bhatia	4	4

## APPENDIX 13: PUBLICATION NOTES

A copy of the Motor Accidents Authority Annual Report 2014/15 can be downloaded from the Motor Accidents Authority website, at [www.maa.nsw.gov.au](http://www.maa.nsw.gov.au). The cost of the 2014/15 Annual Report was \$5717.50.

# INDEX

## A

About Safety, Return to Work and Support	12
Accounts payable performance	79
Appendices	74
Audit and risk committee	85

## B

Board and committee meetings	85
Budget and Estimates for 2015/16	71

## C

CEO Review	10
Claims Assessment And Resolution Service	27
Consultants	81
Corporate Governance	40
Credit card certification	78
CTP Scheme	8
Culture of Achievement and Leadership	34

## D

Digital Information Security Attestation Statement	43
Disability	36

## F

Financial Statements	44
----------------------	----

## G

Government Information (Public Access) Applications	76
Grants	81
Green Slip pricing	18

## H

Human resources committee	85
---------------------------	----

## I

Independent Auditor's Report	46
Indigenous employees	37
Injury prevention and road safety	32
Internal Audit and Risk Management Statement	42
Investment committee	85

## L

Legislation	75
-------------	----

## M

Medical Assessment Service	26
Mission and values	6
Multicultural policies and services program	37

## N

Notes to the Financial Statements	52
-----------------------------------	----

## S

Safety, Return to Work and Support Board	12
Safety, Return to Work and Support Executive	14
Scheme costs	20
Statement by the Chief Executive Officer	45
Statement of cash flows for the year ended 30 June 2015	51
Statement of changes in equity for the year ended 30 June 2015	50
Statement of comprehensive income for the year ended 30 June 2015	48
Statement of financial position as at 30 June 2015	49

## W

Women	37
Workforce diversity and inclusion	36
Workforce diversity and inclusion 2015/16	37
Work health and safety performance and employee wellbeing	36

## Y

Young workers	37
---------------	----



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