

State Insurance
Regulatory Authority

Regulatory Framework





Acknowledgement of Country

SIRA acknowledges, respects and values Aboriginal peoples as the Traditional Custodians of the lands on which we live, walk and work. We pay our respects to Elders past, present and future. We recognise and remain committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships, and continuing connection to their lands, waters and seas. We acknowledge their history here on these lands and their rich contribution to our society.

We also acknowledge our Aboriginal employees who are an integral part of our diverse workforce, and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and cultures.

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Purpose

The State Insurance Regulatory Authority (SIRA) is the independent regulator of the workers compensation, motor accident and home building compensation insurance schemes. These schemes provide an important social safety net for the people of New South Wales (NSW) who may one day experience injury or loss. SIRA works to ensure these schemes are fair, affordable and effective for policy holders, and for people who make a claim for compensation.

This Regulatory Framework sets out the regulatory approach SIRA is taking to deliver all its regulatory functions under the [State Insurance and Care Governance Act 2015](#). As an overarching framework it provides transparency and clarity of SIRA's role and functions to regulated entities (for example insurers, employers, health providers, building businesses), service providers, scheme users such as people with an injury or claim and policy holders.

The Regulatory Framework sets out:

- The principles and governance that the regulatory approach is based upon.
- The regulatory processes and tools used and regulatory actions taken.
- What is considered in arriving at an appropriate response when making a regulatory decision.

The framework describes elements of SIRA's regulatory practices as well as elements being reviewed and enhanced. Additional information and resources that underpin the regulatory approach will be published on the SIRA website as they become available. The framework will be formally reviewed in 2025 although changes will be made over time as refinements are made.



SIRA's purpose is to make sure that the NSW insurance schemes protect and support the people who need them, now and in the future.



About SIRA

SIRA is an independent agency within the NSW Government Department of Customer Service. SIRA was established on 1 September 2015, under the [State Insurance and Care Governance Act 2015](#).



SIRA's outcomes

SIRA strives to achieve the following six outcomes that will result in better compensation schemes for the people of NSW:

Outcomes

1. People injured at work, or on the road, can access the benefits and support they are entitled to, and need, to recover, return to work or achieve the best possible quality of life outcome after an injury.
2. Employers, building businesses, homeowners and motorists are well protected through affordable insurance policies.
3. Regulated entities comply with regulatory requirements and the Customer Service Conduct Principles, and are accountable for their actions.
4. Markets that underpin the State's statutory insurance schemes are ethical, innovative and competitive.
5. Statutory insurance schemes are financially viable and responsive to social and economic changes to meet the needs of people injured at work or on the roads today and into the future.
6. People trust that SIRA regulated schemes are operating as intended and meeting their objectives.

SIRA uses a range of metrics to track performance against the outcomes and to identify gaps for improvement.



SIRA's legislative objectives

SIRA's principal objectives as stated in [section 23 of the State Insurance and Care Governance Act](#) are:

- To promote the efficiency and viability of the insurance and compensation schemes established under the workers compensation and motor accidents legislation and the [Home Building Act 1989](#) and the other Acts under which SIRA exercises functions.
- To minimise the cost to the community of workplace injuries and injuries arising from motor vehicle crashes and to minimise the risks associated with such injuries.
- To promote workplace injury prevention, effective injury management and return to work measures and programs.
- To ensure that persons injured in the workplace or on the road have access to treatment that will assist with their recovery.
- To provide for the effective supervision of claims handling and disputes under the workers compensation and motor accidents legislation and the [Home Building Act 1989](#).
- To promote compliance with the workers compensation and motor accidents legislation and the [Home Building Act 1989](#).

SIRA's legislative landscape

SIRA has a broad range of stewardship, scheme design and regulatory objectives and functions under the following Acts (plus various other legislation that governs the public sector):

- [Home Building Act 1989 Parts 6, 6A, 6B and 6C](#)
- [Motor Accident Injuries Act 2017](#)
- [Motor Accident Act 1988](#)
- [Motor Accidents Compensation Act 1999](#)
- [Motor Accidents \(Lifetime Care and Support\) Act 2006](#)
- [Motor Vehicles \(Third Party Insurance\) Act 1942](#)
- [Personal Injury Commission Act 2020](#)
- [State Insurance and Care Governance Act 2015](#)
- [Workers Compensation Act 1987](#)
- [Workers Compensation \(Bush Fire, Emergency and Rescue Services\) Act 1987](#)
- [Workers' Compensation \(Dust Diseases\) Act 1942](#)
- [Workplace Injury Management and Workers Compensation Act 1998](#)

SIRA focuses its regulatory activities to achieve the best outcomes for scheme users and applies proportionate compliance and enforcement actions as part of a risk-based approach.



How SIRA regulates



SIRA is a contemporary regulator that is customer-centric, intelligence-led and risk-based.



Customer-centric

SIRA is guided by protecting the interests of scheme users – policyholders and people who make claims, now and in the future.



Intelligence-led

SIRA has fit for purpose systems that support intelligence led regulation. SIRA has the right data and insights and uses these to inform regulatory action.



Risk-based

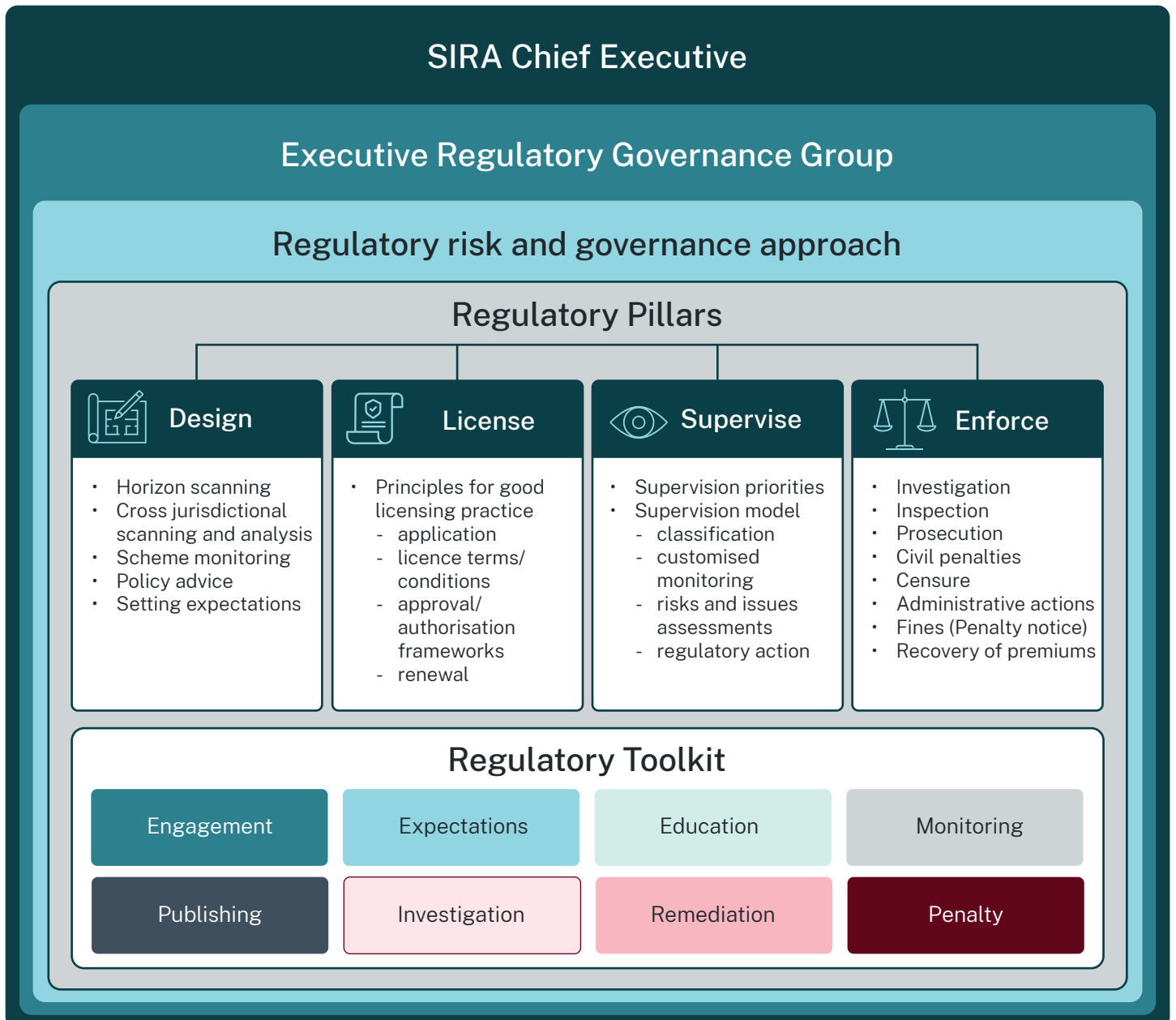
SIRA regulates using a risk-based approach to assess the impact of regulated entity conduct, compliance and performance to prioritise regulatory effort.

SIRA leverages all of its experience and expertise, and uses the full range of scheme stewardship, design, and supervision to address current and arising challenges. This enables SIRA to deliver better outcomes for scheme users.

Regulatory framework

SIRA's regulatory framework establishes a transparent and consistent approach to its regulatory activities, enabling SIRA to meet its objectives and guide where it will deploy its resources.

The regulatory framework incorporates the oversight of the Executive Regulatory Governance Group. This function will be performed by SIRA's Executive Leadership Team. The four pillars of [Design](#), [License](#), [Supervise](#) and [Enforce](#) encompass the breadth of regulatory activities SIRA undertakes. The functions are supported by a regulatory risk and governance approach, the [Regulatory Publishing Policy](#) and the Regulatory Toolkit. The elements of the framework are described in more detail below.



Executive Regulatory Governance Group

The Executive Regulatory Governance Group (ERG) is led by the SIRA Chief Executive and is tasked with setting the regulatory priorities for SIRA on an annual basis. The group reviews the regulatory risk environment, in consideration of NSW government priorities and SIRA's strategic goals, to determine areas for SIRA's regulatory focus. SIRA's regulatory risk and governance approach is used by the ERG to operationalise this focus and provide data against which achievement of key performance outcomes can be measured.

The Executive Regulatory Governance Group is also responsible for ensuring SIRA's effectiveness and efficiency as a regulator through overseeing, and where necessary reforming SIRA's regulatory approach (aligning to principle 7 of the [NSW Government Guide to Better Regulation](#)).

Regulatory risk and governance approach

SIRA's regulatory risk and governance approach uses a systematic risk management process to identify, analyse, evaluate and treat risks, to the schemes individually, collectively, as well as to the scheme users (people with a claim and policyholders) based on robust practices detailed in the [AS ISO 31000:2018 Risk Management - Guidelines](#).

SIRA considers regulatory risks across four levels:

System risk	Risk that impacts more than one scheme within the NSW insurance system, with the potential for a contagion effect. Example: Hyperinflation resulting in significant increase to claims costs, causing upward pressure on premiums for employers, motor vehicle owners and businesses involved in residential building work.
Scheme risk	Risk that is contained to only one scheme within the NSW insurance system. Example: COVID 19, resulted in increased workers compensation claims across some sectors, leading to increased pressure on premiums for these employers.
Regulated entity risk	Risk specific to an entity that SIRA has authority to regulate. Example: A large employer, who has a workers compensation self-insurance licence becomes insolvent, causing a significant impact on those workers with claims with that self-insurer.
Individual customer risk	Risk specific to a policy holder or a person with a claim. Example: A worker's pre-injury average weekly earnings is incorrectly calculated due to the insurer not correctly applying the legislation, resulting in a reduced rate of weekly benefits, causing financial hardship.

Regulatory pillars

The regulatory pillars represent and describe the key functions of SIRA as a regulator. They reflect purpose, rather than organisational structure, and are not scheme specific. The four pillars of [Design](#), [License](#), [Supervise](#) and [Enforce](#) encompass the breadth of regulatory activities SIRA undertakes.

Regulatory Toolkit

The Regulatory Toolkit includes all the guidelines, policies, processes, tools and artefacts that SIRA uses to regulate. The toolkit addresses regulatory responses across a spectrum of interventions from engagement to penalty. The toolkit is detailed further [here](#).

Regulatory pillars



Design

Effective scheme design relies on robust feedback loops from all elements of the value chain in order to consider not only policy objectives but how the schemes work at a practical level. When making policy decisions SIRA is committed to adopting the principles outlined in the [NSW Government Guide to Better Regulation](#) to ensure that recommendations are **necessary, reasonable** and **responsive**. The Design function also relies on customer engagement to help identify opportunities for innovation and improvement. This insight and understanding helps SIRA ensure solutions and interventions match and address pain points as well as prepare the schemes for the future.

The Design pillar takes into consideration:

Horizon scanning

Using intelligence focused on future and current impacts to the system, schemes, regulated entities and scheme users to inform the development of effective scheme design.

Cross jurisdictional scanning and analysis

Developing and maintaining an understanding of how other legislative instruments interact with SIRA's regulatory scope.

Scheme monitoring

Using intelligence focused on current scheme performance to ensure that the scheme design is achieving intended outcomes.

Policy advice

Advising government on the objectives of each scheme and how best to achieve the objectives. This can extend from advice on current policy through to legislative amendment and/or reform.

Setting expectations

Working within the legislative framework to provide rules and guidance for regulated entities and scheme users to follow.

SIRA's approach to scheme design takes best regulatory practice into account and includes industry consultation so that changes to legislation and regulations are evidence-based, outcome focussed and do not pose an unnecessary regulatory burden.





License

SIRA's functions under this pillar include licensing of workers compensation insurers, motor accident (compulsory third party (CTP)) insurers and home building compensation (HBC) insurers.

SIRA may also approve certain providers to deliver services in the schemes under approval or authorisation frameworks.

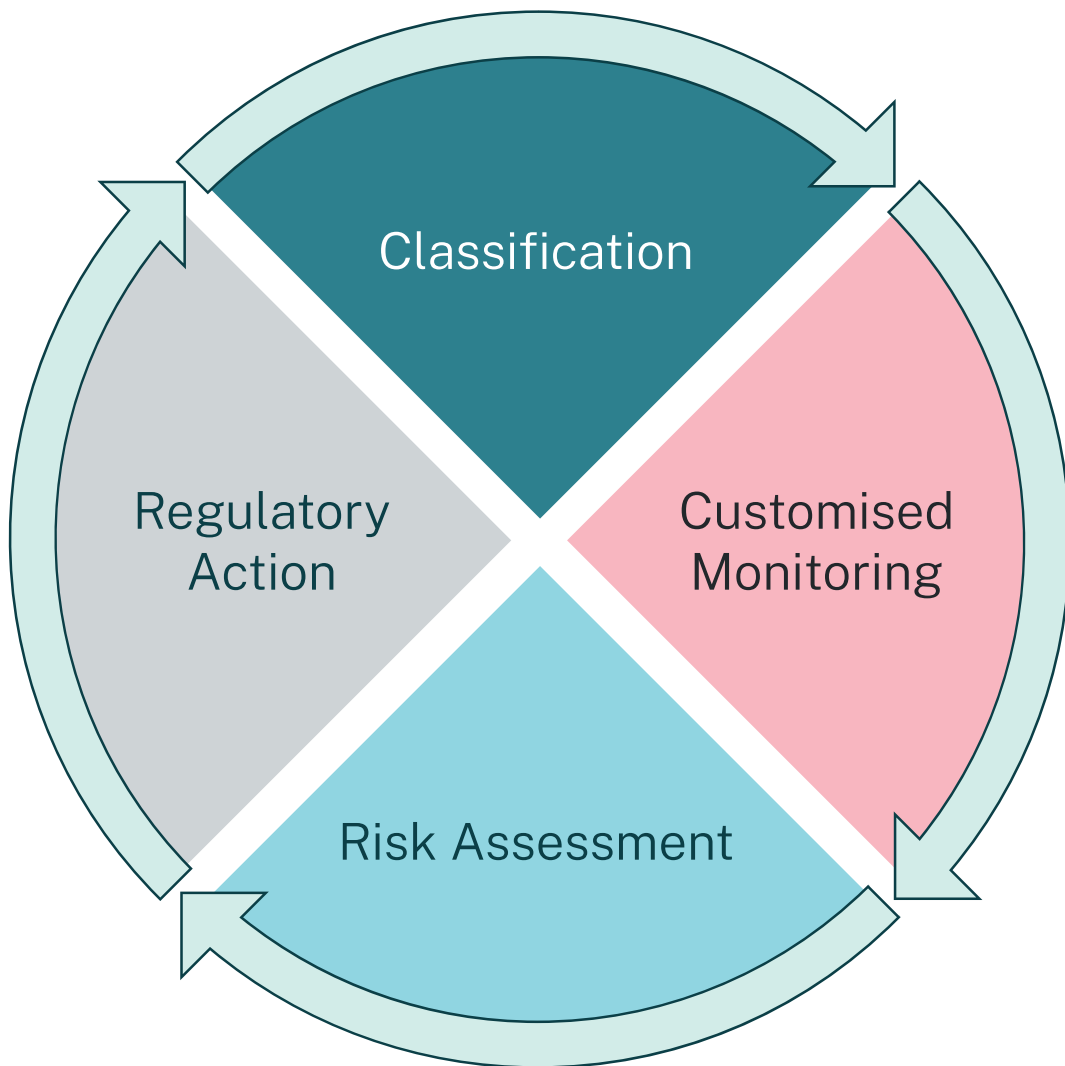
SIRA employs a principle-based approach to licensing, approvals and authorisations. These principles are:

- Applicants are expected to provide complete and accurate information at the point of submission to SIRA.
- Applicants and licence holders are expected to work with SIRA in an open and co-operative way, disclosing anything SIRA would reasonably expect to want to know.
- A licence, approval or authorisation will only be issued to meet a clear need.
- A licence, approval or authorisation will only be issued or maintained if SIRA determines that the licence holder complies with the legislation and there are appropriate controls to manage risk of harm to scheme users.
- SIRA may grant and maintain licences, approvals and authorisations that are subject to conditions.
- SIRA may restrict, cease, revoke or suspend a licence, approval or authorisation.



Supervise

The Supervision pillar encompasses establishing the priorities for supervision and then applying the structured and risk-based supervision model designed for use across schemes for insurers, employers and providers. The model, detailed below, describes the four components of supervision: Classification, Customised Monitoring, Risk Assessment and Regulatory Action.



Classification

Regulated entities are classified to ensure that supervision and response activities are proportional to the risk. Classification takes into consideration different factors according to the type of entity being regulated.

The table below details the factors that may be taken into consideration for insurers, employers and providers:

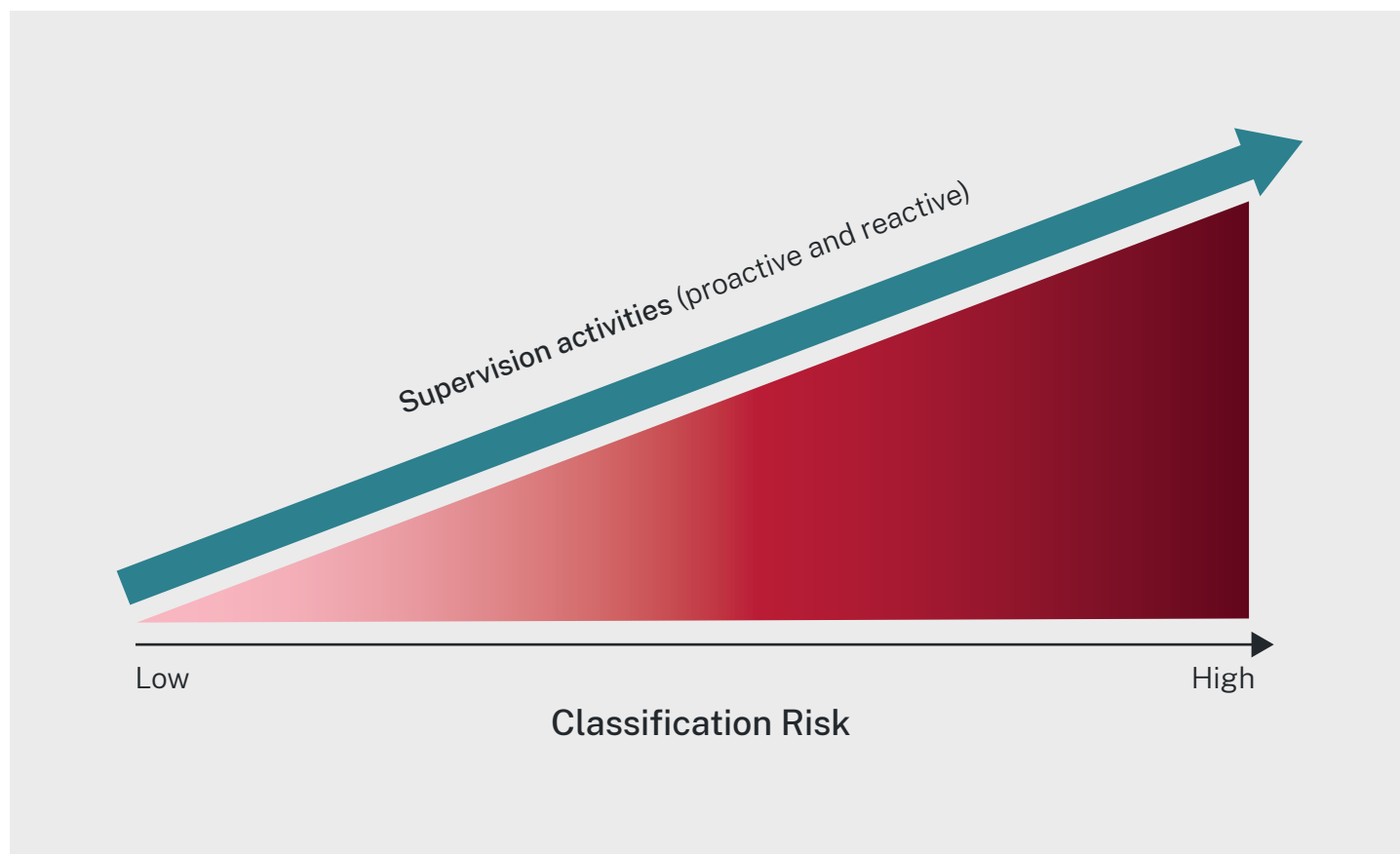
Entity	Factors
Insurers	<ul style="list-style-type: none">• Market share• Premium affordability• Efficient and just dispute resolution• Return to work/activity performance• Licence compliance• Customer experience• Data quality• Legislative compliance• Case and claims management performance
Employers	<ul style="list-style-type: none">• Employer size• Industry• Insurance arrangements, compliance history, claims history• Premiums and wages• Insurance model• Return to work performance
Providers	<ul style="list-style-type: none">• Health, return to work and activity outcomes performance• Scheme affordability and sustainability• Compliance with conditions of approval/terms of appointment (where applicable)• Customer experience• Compliance with legislation, Guidelines and approval frameworks (where applicable)



Customised monitoring

Monitoring that reflects the impact of the classification of a regulated entity on supervision activities and risk tolerance. The higher the classification risk the higher the level of supervision activity and response to issues and incidents.

Customised monitoring allows SIRA to focus attention where it has the most impact.



Customised monitoring allows SIRA to be sensitive to emerging issues and ensure that activities are proportional to risk.

Risk and issues assessment

As risks (potential) and issues (occurred/occurring) are identified, SIRA will assess to ensure that appropriate resources are applied and a mitigative (risk) or corrective (issue) action taken. SIRA's approach to determining an appropriate and proportional response is summarised in the section ["SIRA's decision making"](#).

Regulatory action

SIRA has a range of [regulatory actions and tools](#) that it uses to carry out its functions and works to ensure that performance is aligned to scheme objectives.



Enforce

The enforcement function within SIRA is used to pursue and use the regulatory enforcement powers that are provided under the Acts to apply civil penalties and prosecute matters. SIRA may work with other law enforcement agencies to achieve its regulatory objectives.

SIRA officers and inspectors have power under a number of the Acts to perform their roles in achieving compliance with the legislation. These powers include the authority to:

- enter premises
- search, make copies of and, in some cases, seize evidence
- compel organisations or people to produce, or give evidence relating to an investigation
- conduct reviews and audits of business records
- issue penalties



SIRA makes decisions by following guiding principles and considering a range of factors in order to come to a decision that is lawful, appropriate, proportionate and effective.



SIRA's decision making

Determining regulatory actions

As a contemporary regulator SIRA takes a risk-based approach to decision making. This allows SIRA to direct resources to where they are most needed and can provide most impact. SIRA makes decisions in accordance with applicable law and the principles of administrative law, as well as by considering guiding principles and a range of factors in order to come to a decision that is **appropriate, proportionate** and **effective**.

Risk-based approach

SIRA takes a risk-based outcomes focused approach to regulation, giving flexibility to select the most appropriate response for the situation.

SIRA's decision making is supported by a consistent approach, appropriately documented, and approved as required by the delegation framework. Risks and issues are rated and once the rating of an issue has been determined there is a range of actions that SIRA will consider. SIRA will take the following factors into account to ensure a proportional response:

- **Seriousness** – What is the nature of the issue or event - criminal, legislative, or administrative?
- **Harm** – What is the actual or potential harm?
- **Entity behaviour** – How forthcoming has the entity been? Has it been cooperative with interactions? How have they responded to previous regulatory actions?
- **Regulatory history** – What activities, if any, have already been undertaken?
- **Impact** – What will the regulatory action achieve? What outcome do we want?
- **Compliance** – Has the entity been conforming with their legislated obligations?

SIRA's key responsibilities are to scheme users (both people with a claim and policyholders) and accordingly SIRA places emphasis on ensuring their experience is included and highlighted. Consideration of these factors may result in an escalation or de-escalation of the action taken, noting that multiple regulatory tools across the spectrum may be employed.

To ensure sound decision making SIRA is guided by the following decision making principles:

- **Future-focused** – Regulatory activity is taken to prevent harm, mitigate future risk and/or to minimise the impact of an issue.
- **Evidence-based** – SIRA will make decisions based on sound evidence. This may include data intelligence, audits, internal investigations, etc.
- **Consistent** – SIRA will be consistent in the regulatory approach and decisions will be based on robust processes, documented and explainable.
- **Outcome focused** – Decisions made will reflect the regulatory priorities in place and meet the objectives entrusted to SIRA in legislation.
- **Transparent** – Decision making will be open and clearly communicated.
- **Fair** – Decision making will be made in a responsible and accountable manner with due procedural fairness.
- **Timely** – Decisions will be made in a timely and responsive fashion.

Following these principles helps ensure that SIRA's decisions are sound, objective and robust.

Reviews of SIRA decisions

Regulated entities or other bodies may seek a review of a regulatory decision in accordance with administrative law principles. SIRA will manage any requests for internal reviews of certain regulatory decisions. Reviews of Penalty notices are submitted through the [Revenue NSW website](#). Some decisions may also be reviewable through the [NSW Civil and Administrative Tribunal](#) and the Supreme Court.

The regulatory toolkit includes all the actions and tools that SIRA uses to regulate. The toolkit provides regulatory responses across a spectrum of interventions from engagement to penalty, noting regulatory activity is not linear.

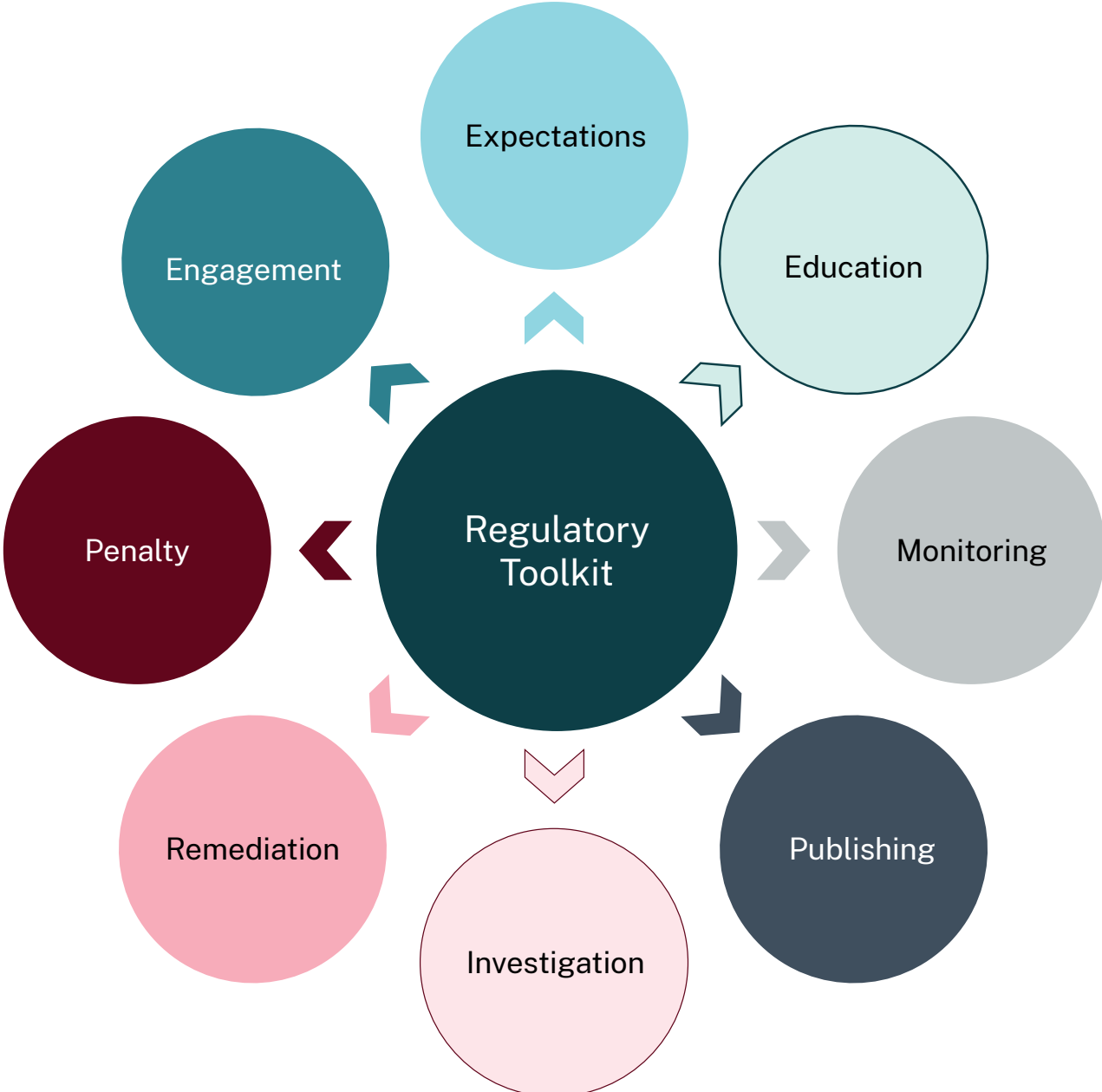


Regulatory tools and actions

The SIRA regulatory toolkit

At all times SIRA aims to encourage and empower regulated entities to engage in behaviours which improve outcomes for the scheme users and meet their legislative obligations. Sometimes a combination of tools, or a tool with a stronger enforcement power is required. Regulatory activity is not linear and SIRA will use the tools that are most suited to each situation. When responding to non-compliance or breaches, enforcement action may be required to compel regulated entities to meet their obligations, to deter them from further non-compliance and to demonstrate expectations to other regulated entities and the the people of NSW.

The spectrum of regulatory activity includes:



Engagement

Engagement enables SIRA to listen and learn from a variety of sources: those with lived experience, scheme users, regulated entities, stakeholders and service providers. SIRA listens to its customers to understand the risks and issues they are dealing with, how regulatory actions impact them (both positively and negatively), and how SIRA can work with them to achieve aligned goals for the schemes and people of NSW.

Consultation	SIRA consults directly with a range of stakeholders who are interested in, or impacted by, the decisions SIRA makes. Consultation is undertaken as part of regular stakeholder engagement committees and groups and also on an ad hoc basis, through SIRA's consultations page and other forums.
Lived experience framework	SIRA recognises the importance of lived experience guiding engagement in the development of policies, programs and resources across all areas, including in the area of mental health.
Memorandums of Understanding (MOU)	SIRA establishes MOUs with key bodies and government agencies to set up agreed understandings for communication and cooperation between the parties. These MOUs allow for joint pursuit of the objectives of the various schemes SIRA regulates.
Partnerships with other regulators and peak associations	SIRA's partnerships allow for the leverage of skills and experiences across organisations that are engaged in regulatory activities and/or are invested in the regulated schemes. Partnerships enable SIRA to collaboratively problem solve, increase collective knowledge and understanding, and share insights.
Advice to government	SIRA regularly provides advice to ministers under the relevant law and proactively as required.

Expectations

SIRA provides clear and easily understood expectations in regard to legislative compliance as well as best practice. This enables regulated entities to meet, and exceed requirements and informs the people of NSW on what they can expect.

Guidelines	SIRA has legislative power to develop Guidelines, such as the Motor Accident Guidelines , the Home Building Insurance guidelines and the Workers Compensation Guidelines , to set out certain requirements including the processes and procedures which supplement legislative requirements as specified in the various Acts. These Guidelines provide clear and easy to understand explanations and expectations to support regulated entities in complying with legislative obligations.
Standards of Practice	SIRA has issued a range of Standards of Practice across a variety of workers compensation claims management areas to support and encourage insurers to have effective claims management practices. These Standards of Practice are designed to help deliver positive experiences and outcomes for scheme users by setting clear, consistent, accessible expectations to guide insurer conduct and claims management.
Licensing frameworks	SIRA has established frameworks under legislative powers for the licensing of workers compensation insurers. These frameworks guide SIRA to make appropriate decisions regarding the licence application, issuing of licences and ongoing monitoring of licensed insurers in the regulated schemes.
Authorisation & approval frameworks	SIRA has established frameworks for the authorisation and approval for a range of regulated entities including certain health providers (workers compensation and motor accidents schemes) and workplace rehabilitation providers. These frameworks clearly set out the requirements for these entities to provide services in the regulated schemes.

Education

SIRA educates, increases awareness and builds capability through the provision of guidance, insights and the sharing of knowledge and research.

Guidance notes

SIRA provides guidance via the [SIRA website](#), that educates and informs everyone in the regulated schemes. Guidance material helps provide clarity as well as encouraging performance beyond compliance.

Education forums

SIRA understands the value of education in uplifting capability. SIRA's [education and training](#) covers all schemes and includes webinars and online training courses for insurers, employers, medical providers, and other health professionals. SIRA also runs face to face training and information sessions. Education is also routinely provided as part of workplace inspections.

Tertiary education partnerships

SIRA partners with the [Personal Injury Education Foundation](#) (PIEF) and shares their commitment to delivering quality education and training to uplift capability within the personal injury insurance industry. SIRA understands the importance of having a professional, skilled and qualified workforce and actively contributes to help build this capability.

Newsletters

SIRA delivers a number of regular newsletters to help keep everyone informed on regulatory areas of interest to them. These include the [SIRA Bulletin](#) and the [Recovery at work insider](#).

'Prompt' letters

SIRA appropriately employs behavioural insight theories and practices to remind, inform and encourage regulated entities to meet requirements and to avoid breaches of their legislative obligations.



Monitoring

SIRA monitors performance and compliance, and evaluates risks and issues, in order to inform regulatory responses and actions for ongoing success of the regulated schemes.

Performance monitoring

SIRA has access to a range of intelligence through both internal and external data sources. Performance indicators monitored include complaints, costs incurred, claims management as well as scheme-specific indicators such as recovery at work performance and litigation. SIRA also employs predictive analysis in the risk assessment processes to direct resources to where they are most needed. Open data analysis is published on the SIRA website to provide the people with up to date reporting across [motor accident \(CTP\)](#), [workers compensation](#) and [home building compensation insurance](#). SIRA is continually reviewing and updating its data capabilities to improve the quality and timeliness of scheme and regulated entity reporting.

Reviews of compliance, performance & conduct

SIRA conducts reviews across all schemes and regulated entities. Reviews utilise a range of methodologies including interviews, observations, file reviews, call recordings, document reviews, workshops, data analytics, research and workplace inspections. Reviews may also include an audit component. Reviews are used to inform regulatory responses and decisions, policy design and other strategic activities.

Complaints and feedback

SIRA manages complaints about legislation, pricing, employers, service providers and insurers (if the complaint is made by a health provider or an employer). SIRA also has a role in insurer complaints initiated by injured people when escalated by the Independent Review Office (IRO) to SIRA. SIRA uses insights from feedback, complaints and insurer data to identify issues and friction points to help manage and monitor regulated entities and inform policy design.

Customer research

SIRA measures customer experience, health and social outcomes across workers compensation and the motor accident (CTP) scheme through regular customer experience research. Findings are combined with other insights to identify areas of focus across both schemes and, over time, help SIRA understand what elements of scheme design and insurer service contribute to better outcomes for people with an injury.

Actuarial monitoring

SIRA uses actuarial reporting on a quarterly basis for system and scheme monitoring. These reports provide SIRA with key insights and trends are used to direct further investigations, to obtain operational insights or consider changes in scheme design to ensure affordability and sustainability of the schemes.

Premium & levy reviews

SIRA reviews and assesses insurer premium filings to ensure that they meet scheme specific guidelines. Insurers may only charge premiums that are in accordance with a not rejected premium filing. SIRA continuously monitors pricing and market practices via insurance renewals reviews, and other reviews of pricing or underwriting elements in the market.

Audits

SIRA undertakes audits according to both a scheduled audit program and on an as needed basis in response to identified issues or concerns. Audits can be scheme wide, thematic or specific to a regulated entity. Audits are conducted in accordance with the applicable law and by experienced staff who have completed Lead Auditor training. Audits are used to assess whether entities are complying with legislative requirements as well as best practice expectations.

Prudential and funding adequacy reviews

SIRA regularly assesses the adequacy of insurers funding position versus liabilities via security reviews and financial strength reviews.

Remediation

SIRA takes appropriate and proportional actions to remedy or prevent harm, and to ensure regulated entities meet their legislative obligations.

Workplace inspections	SIRA's inspectors have authority to visit employers to assess and enforce compliance with their legislative obligations. Visits may be targeted based on workers compensation claims data, complaints or identified priority areas based on industry or geographical area. SIRA inspectors educate employers to assist them in meeting their legislative obligations, specifically supporting workers to return to work after an injury, and where there is non or under insurance. Inspectors may issue improvement notices in relation to return to work obligations and penalty notices where employers are found to be non-compliant with the legislation.
Directions	SIRA may issue directions to insurers in order to compel them to take action in regard to the management of claims. SIRA may give an employer directions in writing in connection with any return to work program established or to be established by the employer. SIRA may also issue directions under the State Insurance and Care Governance Act 2015 to 'relevant service providers' (health and related service providers) in relation to services provided (or not to be provided) in the workers compensation and motor accident schemes.
Letter of compliance	SIRA may issue a letter of compliance to draw a regulated entity's attention to a risk or issue identified. The letter of compliance may include a request for a remediation plan. The letter will also inform the regulated entity of the potential consequences of inaction.
Employer improvement notices	Employer improvement notices are used to compel an employer to remedy a contravention with the return to work provisions of the workers compensation legislation. The notice details the contravention, the action to be taken by the employer to remedy the contravention and the timeframe in which this needs to be completed. Penalties apply where an employer fails to comply with an improvement notice.
Remediation plans	Regulated entities may be requested or, in some circumstances, required, to develop and submit a remediation plan to SIRA to demonstrate a strategy that ensures the timely remediation of an identified compliance or performance risk or issue. The plan is to include a root cause analysis, details of proposed actions, timeframes for these actions, the expected outcomes of the plan and how the plan will be monitored. Regular updates on progress are to be provided to SIRA.
Approval conditions / terms of appointment	SIRA can impose restrictions/ amend conditions of approval, cease authorisation or revoke approval where SIRA identifies compliance and performance issues with service providers e.g. a workplace rehabilitation provider.

Investigation

SIRA determines whether further or escalated regulatory action is required through the gathering of intelligence in accordance with its data gathering and investigative powers.

Regulatory investigation	SIRA and its inspectors have investigation powers under the various Acts which it employs to establish factual circumstances and to establish if a legislative breach has occurred, and if so, the seriousness of the breach. SIRA will undertake these investigations in accordance with their powers and functions under the authorising legislation and within the Australian Government Investigation Standards .
Criminal investigation	Some breaches are criminal in nature and in order to proceed require a criminal level investigation. SIRA works with appropriate NSW Government agencies to conduct these investigations.

Penalty

When appropriate SIRA may respond to unlawful conduct through the administration of penalties. In doing so, SIRA aims to prevent and deter actual and future misconduct, improve standards and behaviours within regulated entities, and reduce the risk of harm to customers and the people of NSW.

Censures

SIRA can issue letters of censure and civil penalties (monetary fine) to insurers if satisfied the insurer has breached its licence and/or the relevant legislation.

Penalty notice

SIRA inspectors or authorised officers may issue a penalty notice (monetary fine) to an insurer, health and related service provider, employer or building business where the officer is satisfied that the regulated entity has breached a penalty notice offence under the legislation. A penalty notice may be challenged in Court.

Licence conditions

SIRA can impose licence conditions on certain licensed insurers to address performance or compliance issues. These conditions clearly establish what is required of the licensed insurer in order to maintain their license.

Cancelling or suspending licence, revoking approval or ceasing authorisation

SIRA has the power to cancel/suspend a licence, revoke an approval or cease an authorisation in certain circumstances when the performance of the regulated entity is such that the potential harm outweighs the potential costs to the people of NSW of this action.

Directions

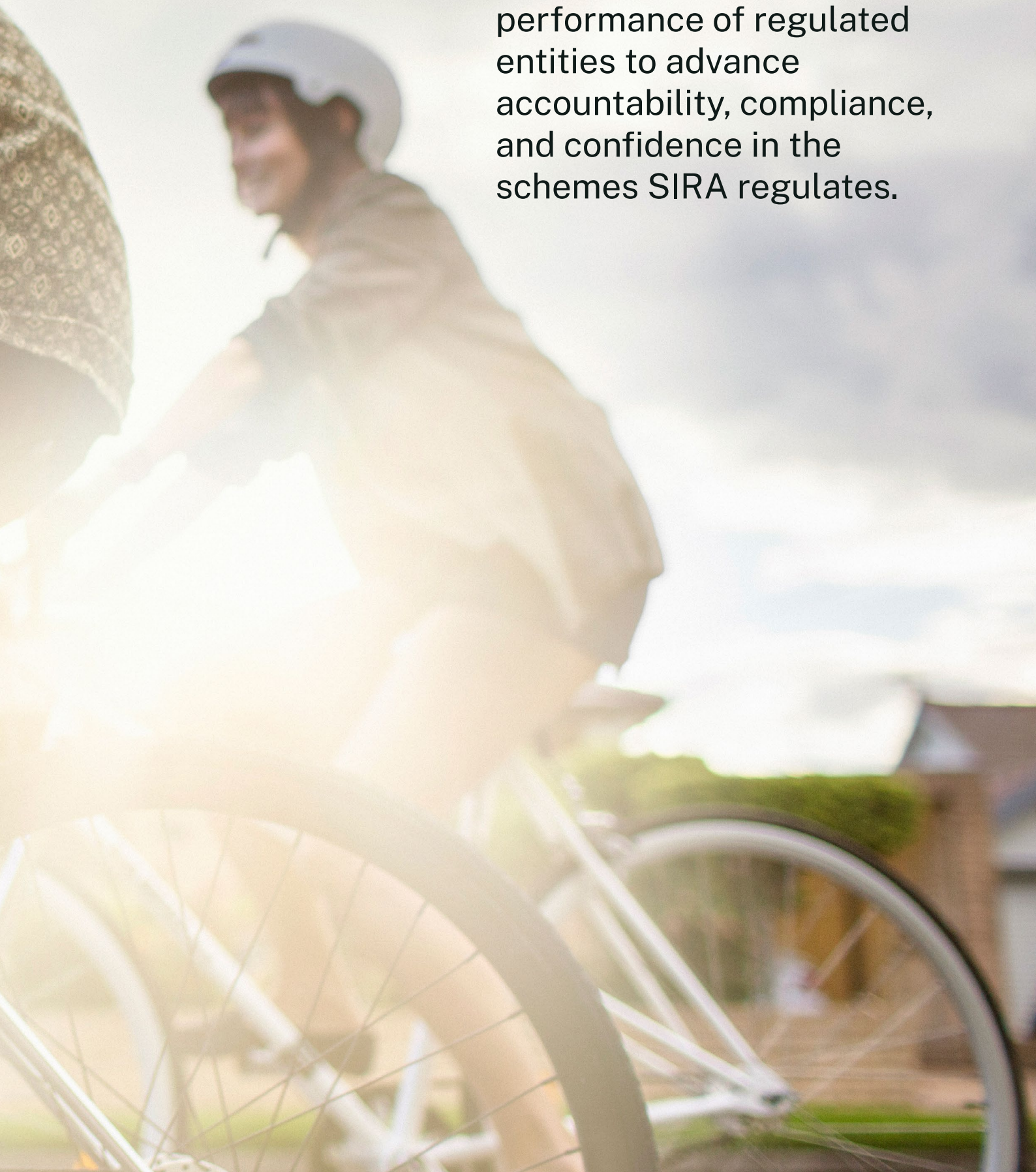
SIRA may issue directions under the [State Insurance and Care Governance Act 2015](#) to relevant health and related service providers in the workers compensation and motor accident schemes.

Prosecutions

SIRA may initiate prosecution proceedings for an offence under the relevant legislation. As appropriate, SIRA works strategically with other enforcement agencies and regulators to ensure breaches of the law are considered holistically and with a whole of government perspective.



SIRA proactively publishes information about its regulatory actions and the performance of regulated entities to advance accountability, compliance, and confidence in the schemes SIRA regulates.



Publishing

SIRA proactively publishes information about its regulatory actions and the performance of regulated entities as outlined in the [Regulatory Publishing Policy](#).

This includes details of the performance of insurers, employers, health and related service providers and other regulated entities.

When determining whether to publish SIRA considers the following criteria:

- Publishing is in the public interest, and in the interest of scheme users.
- Publishing is lawful, including not breaching privacy legislation, confidentiality or secrecy provisions or information access legislation.
- Published information would not prejudice the effectiveness or outcome of an audit, investigation, or review.
- Published information would not prejudice the potential for enforcement action against a regulated entity and its right to a fair trial.
- Publishing would not delay, or otherwise impede, resolution of a performance or compliance issue.

SIRA uses its discretion when making decisions about publishing. In addition to adhering to the law and the publishing criteria outlined above, SIRA generally does not publish where, for example:

- Information is legitimately commercially sensitive.
- Information would impact market competitiveness.
- Regulated entities or individuals to be named have not been given at least 48 hrs notice of SIRA's intention to publish.

The names of regulated entities including health and related service providers are routinely included in published information.

SIRA will generally publish the following types of information where the criteria are met. The list is not exhaustive and may occasionally include other matters where it is deemed to be in the public interest. Those types include:

- Information on the performance of SIRA-regulated entities and schemes, including data related to regulatory focus areas or scheme performance issues.
- Issuing a new insurer licence, imposition of licence conditions and suspension or cancellation of a licence.
- Commencement and conclusion of audits, investigations, or reviews.
- Issuing of improvement notices, remediation plans, letters of censure, penalty notices and civil penalties against insurers.
- Publication of a person or regulated entity being charged with an offence, and final court outcomes.
- Volume and nature of significant matters referred to SIRA from other bodies.
- Changes to levies that impact premiums.
- The commencement of the first and second stages of the Transitional Excess Profits and Loss assessment and the decision to trigger the mechanism, which includes the amount being recouped, the relevant accident years, and any adjustments from previous years (Motor accident scheme only).
- The number of decisions in relation to Innovation Support applications (Motor accident scheme only).

SIRA utilises a number of publishing channels, commensurate with the significance of the matter, including the SIRA website, SIRA Bulletin, SIRA LinkedIn and media statements.

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Catalogue no. SIRA09177 | ISBN 978-0-7347-4739-6

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