

# EXPRESSION OF INTEREST

## PART A: CONDITIONS & STATEMENT OF REQUIREMENTS

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<b>EOI Title:</b>	Workers Compensation Claims Management Administration Services for the Insurers Guarantee Fund (IGF)
<b>EOI Number:</b>	SIRA/5879
<b>EOI invitation issue date:</b>	10/09/2021
<b>EOI lodgement:</b>	<a href="https://tenders.nsw.gov.au">https://tenders.nsw.gov.au</a>
<b>EOI closing date:</b>	15/10/2021
<b>EOI closing time:</b>	<b>5:00pm</b> AEST and/or AEDT
<b>Quotation validity period:</b>	6 months
<b>Contact officer:</b>	Katrina Newell
<b>Contact officer's email:</b>	katrina.newell@customerservice.nsw.gov.au

This EOI is a procurement to which the [PDB 2019-05 Enforceable procurement provisions \(EPP Direction\)](#) applies **Yes**

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# EOI Conditions

## 1. Scope of EOI

### 1.1 Introduction

This EOI is issued by the State Insurance Regulatory Authority (SIRA) (the Principal).

This EOI [SIRA/5879](#) invites expressions of interest for the provision of workers compensation claims management administration services for the Insurers' Guarantee Fund (IGF) to SIRA as described in these EOI Conditions and the Statement of Requirements.

[State Insurance Regulatory Authority](#) is part of Department of Customer Service, which supports sustainable government finances, major public works and maintenance programs, government procurement, information and communications technology, corporate and shared services, consumer protection, administration of state taxation and revenue collection, and NSW land and property administration.

For further information visit the [Department of Customer Service](#) website.

The State Insurance Regulatory Authority (SIRA) is an independent agency established by section 17 of the *State Insurance and Care Governance Act 2015* (NSW) and is responsible for the overall management of the Insurers' Guarantee Fund (IGF) under the *Workers Compensation Act 1987* (NSW).

For further information about SIRA, visit the [State Insurance Regulatory Authority](#) website. Further information in relation to the IGF can be found in the Statement of Requirements (Attachment 1).

### 1.2 Purpose of the request for EOI

1.2.1 The seeking of expressions of interest is the first stage of a multi-stage tender process to enter into a contractual relationship with one or more providers for the provision of Goods/Services described in the Statement of Requirement (Attachment 1).

1.2.2 This request for EOI seeks to elicit information from potential providers on the availability and suitability of Goods/Services to meet the Statement of Requirements (Attachment 1).

The EOI Response will be used to:

- a. Help determine the capacity and capability of suppliers to deliver the Statement of Requirements
- b. Provide indicative timeframes and strategies for delivery; and
- c. Provide an indicative cost where applicable.

1.2.3 The second stage will involve a "offer" phase. SIRA reserves the right, in its absolute discretion, to adopt any procurement strategy, following the evaluation of EOI responses, including (without limitation):

- a. Invitation of public proposals
- b. Invitation of proposals from a short-listed group of EOI Respondents; or

- c. Direct negotiation with a single EOI Respondent, or a single short listed EOI Respondent.

In the case of 1.2.3(b) or 1.2.3(c), the criteria for selecting the limited number of Respondents to participate in the second stage will be [capacity, subject matter expertise, availability and experience](#). The justification for limiting the number of Respondents who will be invited to lodge a further submission in the second stage is based on the business efficacy and efficiency of procuring from short-listed EOI Respondents that are able to meet the Statement of Requirements.

## **2. EOI Structure**

### **2.1 Parts of EOI**

This EOI comprises the following:

- a. Part A – EOI Conditions and Statement of Requirements**

This provides the terms, conditions and processes governing the request for EOI phase.

The Statement of Requirements (Attachment 1 of this Part A) is a detailed description of the Goods/Services to be provided if the short-listed EOI Respondent(s) are subsequently invited to make further submissions in the second stage (i.e., offer phase).

- b. Part B – EOI Response**

This document is to be completed and submitted by the Respondent in response to this request for EOI to enable SIRA to evaluate the Respondent(s) offers.

### **2.2 Information supplied**

The information contained in the Statement of Requirements has been provided with due care and is intended only for the Respondents' guidance but is not guaranteed as being accurate for future needs and expenditure by SIRA.

## **3. EOI Preparation**

### **3.1 Respondent to inform itself**

Before submitting its EOI Response, a Respondent must:

- a. examine all information relevant to the risks and contingencies and other circumstances influencing its EOI Response; and
- b. satisfy itself:
  - i. that the EOI Response is true and correct; and
  - ii. that it is financially and practically viable to provide the Goods/Services to meet the Statement of Requirements if the Respondent is subsequently invited to a second procurement stage (offer phase).

### **3.2 Assumptions made by Respondent**

Where a Respondent has made assumptions in preparing its EOI Response, such assumptions must be set out in a supporting statement and submitted with the EOI Response.

## 4. EOI Process

### 4.1 EOI briefing

An EOI briefing will be held on the date, time, and place, indicated below. The contact officer/s of SIRA will be available at that time to answer any queries regarding this EOI and the EOI process generally. Names of persons attending the EOI briefing must be provided to the contact officer at least 3 working days prior to the date. No more than 2 persons from each Respondent will be permitted to attend the EOI briefing.

<b>Location:</b>	MS Teams invite will follow upon registration
<b>Date:</b>	Friday, 17 <sup>th</sup> September 2021
<b>Time:</b>	9:30am

### 4.2 EOI lodgement

- 4.2.1 EOI responses must be submitted electronically to the electronic tender box for this EOI via [NSW Government eTendering](#). The lodgement can only be made by a registered system user of the NSW Government eTendering system.
- 4.2.2 Detailed information of how to use the NSW Government eTendering system is available through the [help link](#) on NSW eTendering.
- 4.2.3 EOI responses (including all supporting information, if any) must be fully received by the closing date and time. Respondents must complete the entire Part B (EOI response) document and must not amend any of the questions provided. Responses and other information provided in the EOI response must be in writing and in English.
- 4.2.4 Respondents should notify the contact officer in writing on or before the closing date and time if they find any discrepancy, error or omission in this EOI.

### 4.3 Electronic EOI responses

- 4.3.1 EOI responses submitted electronically will be treated in accordance with the [Electronic Transactions Act 2000 No8](#), and given no lesser level of confidentiality, probity and attention than EOI responses lodged by other means.
- 4.3.2 A Respondent, by electronically lodging an EOI response, is taken to have accepted the conditions detailed herein and on the [NSW Government eTendering](#) website.
- 4.3.3 Electronically submitted EOI responses may be made corrupt or incomplete, for example by computer viruses. SIRA may decline to consider or accept an EOI response that cannot be effectively evaluated because it is incomplete or corrupt. Respondents must not include any macros, applets, or executable code or files in Part B (EOI Response). Respondents should ensure that electronically submitted files are free from viruses by checking the files with an up-to-date virus-checking program before submission.
- 4.3.4 SIRA will not be responsible in any way for any loss, damage or corruption of electronically submitted EOI responses.

#### **4.4 Extension of closing date and time**

SIRA may, in its discretion, extend the closing date and time by issuing an Addendum.

#### **4.5 Addenda to the request for EOI**

- 4.5.1 SIRA may, in its sole discretion, amend the Request for EOI before or after the closing date and time by issuing an Addendum. In each case, an Addendum becomes part of the Request for EOI. It is the responsibility of all Respondents to verify if any Addenda is issued prior to the closing date and time, and to read such Addenda, and if necessary, to respond to the Addenda even if an EOI Response has already been submitted by the Respondent.
- 4.5.2 If the Addendum is issued after the closing date and time, only Respondents to the Request for EOI will be notified of the Addendum and given an opportunity to amend their EOI Response.
- 4.5.3 Respondents must check the [NSW Government eTendering](#) system and download the Addendum.

#### **4.6 Late EOI responses**

EOI Responses (including an EOI which is only partly received by the closing date and time) that is received after the closing date and time will not be considered by SIRA, unless SIRA is satisfied that the integrity and competitiveness of the EOI process has not been compromised. SIRA shall not penalise any Respondent whose EOI response is received late if the delay is due solely to mishandling by SIRA.

#### **4.7 Costs of Respondent participating in the request for EOI**

The Respondent acknowledges that SIRA will not be liable for any fees, expenses or costs incurred by it as a result of its participation in this request for EOI, including where the request for EOI has been discontinued.

#### **4.8 Use of EOI responses**

By submitting the EOI response, the Respondent authorises SIRA to use and make copies of the EOI response (including providing access to the EOI to any third parties) for any purpose related to this request for EOI, and for SIRA's internal procurement purposes.

#### **4.9 Variations to EOI responses**

- 4.9.1 At any time after the closing date and time, and before SIRA decides on an appropriate procurement strategy (including, but not limited to, the short-listing of EOI Respondents for purposes of submitting fixed-price proposals), a Respondent may, subject to clause 4.9.2, vary its EOI response:
- by providing SIRA with further information by way of explanation or clarification
  - by correcting a mistake or anomaly, or
  - by documenting agreed changes to the response negotiated under Part B.
- 4.9.2 Such a variation may be made either:
- at the request of SIRA, or
  - with the consent of SIRA at the request of the Respondent, but only if:

- i. in the case of variation requested by the Respondent under clause 4.9.1(a)-(b), it appears to SIRA reasonable in the circumstances to allow the Respondent to provide the explanation or correct the mistake or anomaly
- ii. in the case of a variation under clause 4.9.1(c), SIRA has confirmed that the draft documented changes reflect what has been agreed.

4.9.3 If an EOI response is varied in accordance with clauses 4.9.1(a) or 4.9.1(b), SIRA will provide all other Respondents with the opportunity of varying their EOIs on the same grounds.

4.9.4 A variation of an EOI response under clause 4.9.1 will not be permitted if in SIRA's view:

- a. it would substantially alter the original EOI response, or
- b. in the case of variation under clauses 4.9.1(a) or 4.9.1(b), it would result in the revising or expanding of an EOI response in a way which would give a Respondent an unfair advantage over other Respondents.

#### **4.10 Corruption or unethical conduct**

4.10.1 Respondents must:

- a. comply with the requirements of the DCS [Business Ethics Statement](#).
- b. disclose any perceived, actual or potential conflicts of interests in Part B (EOI response).

4.10.2 If a Respondent, or any of its officers, employees, agents or subcontractors is found to have:

- a. offered any inducement, rebate, uncommercial/inflated pricing or reward to any public servant or employee, agent or subcontractor of SIRA or the NSW Government in connection with this Request for EOI or the submitted EOI response
- b. committed corrupt conduct in the meaning of the [Independent Commission Against Corruption Act 1988](#)
- c. a record or alleged record of unethical behaviour, or
- d. not complied with the requirements of the DCS [Business Ethics Statement](#).

this may result in the EOI response not receiving further consideration.

4.10.3 SIRA may, in its direction, invite a relevant Respondent to provide written comments within a specified time before SIRA excludes the Respondent from the request for EOI under clause 4.9.2.

4.10.4 If SIRA becomes aware of improper conflict of interests by a short-listed Respondent, then SIRA reserves the right to exclude the short-listed Respondent from the second stage of the procurement.

#### **4.11 NSW Government Procurement Policy Framework**

4.11.1 In submitting its EOI response, the Respondent agrees to comply with the NSW Government [Procurement Policy Framework](#) for the duration of any subsequent Agreement that is awarded.

4.11.2 If any Respondent fails to comply with these requirements, SIRA may take such failure into account when considering the EOI response or any subsequent tender submitted by the Respondent and may result in the submission being rejected.

## **4.12 Procurement (Enforceable Procurement Provisions) Directions 2019**

- 4.12.1 Government agencies must identify procurements that are subject to the [\*PDB 2019-05 Enforceable procurement provisions \(EPP Direction\)\*](#) which reflects the requirements of international procurement agreements.

## **4.13 Evaluation process**

- 4.13.1 EOI responses will be assessed against the evaluation criteria listed below in order of relative importance of each criterion. Information supplied by the Respondent in its EOI response will contribute to the assessment against each criterion.
- 4.13.2 Respondents are advised to respond clearly to all the evaluation criteria listed in this request for EOI. Respondents that do not include a fully completed Part B (EOI response), in particular those responses that do not contain sufficient information permit a proper evaluation to be conducted, or electronic responses that cannot be effectively evaluated because the file has become corrupt, may be excluded from the EOI process without further consideration at SIRA's discretion.

## **4.14 Requirements**

SIRA will assess the Respondent's capacity and capability to meet the business requirements/objectives as described in the Statement of Requirements in accordance with the following key requirements:

- a. Ability to satisfy business requirements/objectives as described in Statement of Requirements.
- b. Compliance with applicable NSW Procurement Policies
- c. Compliance with applicable legislation and standards.
- d. Financial viability to meet business requirements/objectives as described in Statement of Requirement.
- e. Overall ability to meet detailed 'Statement of Requirements' including:
  - i. Production/technical capacity
  - ii. Human resource capacity, qualifications, skills, and experience
  - iii. Financial capacity and stability (including years in business and security considerations)
  - iv. Current commitments
  - v. Previous contract experience and standard of contract performance
  - vi. Record of ethical behaviour in service delivery
  - vii. Referee reports
  - viii. Records management and timely reporting
- f. Quality assurance programs in place
- g. Customer data security and privacy
- h. Business continuity plan
- i. Proposed customer support facilities including availability, customer enquiries and help desk for support

#### **4.15 Presentations by Respondent**

SIRA may, in its discretion, during and as part of the evaluation process, invite any or some of the Respondents to make personal presentations regarding their EOI response. The Respondent shall make any presentations at their own cost. However, receiving a presentation by a Respondent in no way represents a commitment by SIRA to short-list the Respondent for the second stage of the procurement. All information obtained during the presentations may be taken into consideration in the evaluation of the EOI response.

#### **4.16 Outcomes of the EOI response**

- 4.16.1 SIRA is not bound nor obliged to enter any contractual arrangement with any Respondent or any short-listed Respondent(s) whose EOI response is accepted. The issue of this request for EOI does not commit or otherwise oblige SIRA to proceed with any part or steps of any subsequent stage of the procurement process.
- 4.16.2 Following SIRA's decision, all Respondents will be notified in writing of the outcome of their EOI response.

#### **4.17 Notification of short-listed Respondents**

No Respondent is deemed to have been short-listed unless the Respondent has received written notification from SIRA.

#### **4.18 Discontinuance of request for EOI process**

Where SIRA determines that awarding a contract would not be in the public interest or no Respondent has satisfied the evaluation criteria, or otherwise in its absolute discretion, SIRA reserves the right to discontinue the EOI process at any point, without making a determination regarding acceptance or rejection of Tenders.

#### **4.19 Disclosure of information**

Respondents shall not disclose any information relating to this request for EOI process or the required services via any media release or any other publication without the prior written consent of SIRA.

Following SIRA's decision, all Respondents will be notified in writing of the outcome of their response to EOI.

Details about the successful Respondent and the outcome of the EOI and subsequent process will be disclosed in accordance with the [Government Information \(Public Access\) Act 2009 \(NSW\) No 52](#).

#### **4.20 Exchange of information between Government agencies**

- 4.20.1 By lodging an EOI response, the Respondent authorises SIRA to make information relating to the EOI response available, on request, to any NSW Government agency. This includes information dealing with the Respondent's performance for any prior contract that has been awarded. Such information may be used by the recipient NSW Government agency for assessment of suitability for pre-qualification, selective tender lists, expressions of interest or the award of a contract.

4.20.2 The Respondent agrees that any information relating to the EOI response that is provided by SIRA to any other NSW Government agency is communication falling within section 30 of the [Defamation Act 2005](#). The Respondent shall have no claim against SIRA and the State of New South Wales in respect of any matter arising out of the provision or receipt of such information, including any claim for loss to the Respondent arising out of the communication.

#### **4.21 Complaints Procedure**

4.21.1 It is the NSW Government's objective to ensure that industry is given every opportunity to win Government contracts. Should any entity feel that it has been unfairly excluded from responding or unfairly disadvantaged by the Agreement or the Statement of Requirements, it is invited to write to:

*Chief Procurement Officer, Department of Customer Service*

*McKell Building, 2-24 Rawson Place, Sydney NSW 2000*

4.21.2 If a complaint is received concerning an alleged breach of an enforceable procurement provision under Part 11 of the [Public Works and Procurement Act 1912](#), this EOI will be suspended in accordance with the statutory requirements and invited Tenderers will be notified accordingly.

## 5. Key Terms

The following terms where us in Parts A and B of this EOI and have the meaning set out below.

**ABN** means an Australian Business Number as provided in the GST Law.

**Addendum** means an addendum, addition or variation to this EOI made by SIRA before the Closing Date and Time.

**Alternative EOI** means a Non-Conforming EOI that is intended to offer a different method of meeting the object and intent of the Statement of Requirements.

**Additional Services** means any services which are not Services to be performed by the Supplier as approved by SIRA.

**Agreement** means the proposed agreement to be entered into between SIRA and the service provider, as provided to the Respondents in the second stage of this multi-stage tender process.

**Closing Date and Time** means the Closing Date and Closing Time for receipt of response to EOI, as specified on the cover page of this EOI, or as amended by an Addendum.

**Conforming EOI** means an EOI that:

- a. conforms to the Statement of Requirements
- b. substantially conforms to all the other stated requirements of this EOI.

**EOI** means this request for Expressions of Interest (including any addenda).

**GST** has the same meaning as in [\*A New Tax System \(Goods and Services Tax\) Act 1999 \(Cth\)\*](#).

**GST Law** means any law imposing a GST and includes [\*A New Tax System \(Goods and Services Tax\) Act 1999 \(Cth\)\*](#) or if that Act does not exist, means any Act imposing, or relating to a GST and any regulation made under those Acts.

**Non-Conforming EOI** means an EOI that:

- a. does not substantially conform to the Statement of Requirements
- b. is not in the prescribed form
- c. does not conform to any of the other stated requirements of this EOI.

**Respondent** means a legal entity that submits a response and includes the Respondent's related bodies corporate, employees, agents and its contractors.

**RFP** means the Request for Proposal to be issued to Respondents and any other entities that are invited to engage in the second stage of this multi-stage tender process.

**Services** means the services sought under this EOI, as detailed in the Statement of Requirements at Attachment 1 of this Part A.

**SIRA** means the agency set out in section 1.1 of Part A of this EOI.

**Statement of Requirements** means the Goods/Services described in Attachment 1 of Part A of this EOI.

**Supplier** means the Respondent selected by SIRA to provide the Services.

## **6. Attachment 1 – Statement of Requirements**

### **Workers Compensation Claims Management Administration Services – Insurance Guarantee Fund (IGF)**

#### **1. Requirement Outline**

This EOI seeks to appoint a suitably qualified Respondent to undertake claims administration in respect of the Insurers' Guarantee Fund (IGF). Claim administration may include, but is not limited to, the engagement of legal service providers, and other professional services to ensure the effective management and administration of claims. The IGF is governed by section 227 of the *Workers Compensation Act 1987* (NSW) (**WC Act**). The number of active claims as of May 2021 was 166. In 2020, the average number of claims per month was 139.

The net outstanding claims liabilities (provisions) of the IGF as of 30 June 2020 has been estimated as \$95 million; Non-HIH Insurance Limited (HIH) \$66 million and HIH \$29 million. Eighty-one (81%) percent of the total liabilities are dust related diseases with the remaining 19% related to deafness and other injuries.

#### **2. Scope of Works**

The Respondent is required to administer all workers compensation claims in respect of policies issued by insurers that have been declared by the Minister to be insolvent, pursuant to section 226 of the WC Act, except for those claims to which HIH policies respond, including:

- a. National Employers Mutual General Insurance Association Ltd (NEM): ceased underwriting in 1985 with last issued policies expiring during 1986. The company entered provisional liquidation in 1990.
- b. Associated General Contractors Insurance Co Ltd (AGCI): went into provisional liquidation in 1980.
- c. Bishopsgate Insurance Australia Ltd (Bishopsgate); went into provisional liquidation in 1983, and
- d. The Greatlands General Insurance Company Ltd (Greatlands); went into provisional liquidation in 1988.

##### **2.2 Services**

The Respondent must comply with the following:

- a. the Agreement (as negotiated) between the Respondent and SIRA
- b. service deliverables as requested by SIRA
- c. all relevant legislation, regulations, guidelines and standards of practice, and

- d. all statements or representations as to the provision of the services contained in the Respondent's RFP response.

### **2.3 Claims Management**

The Respondent must perform the following services:

- a. carry out the management of the claims in accordance with best practices for workers' compensation claims administration services.
- b. adopt an active claims settlement approach seeking to settle all claims as soon and as cost-effectively as possible.
- c. provide all telephone facilities, stationery and all items necessarily incidental to carrying out the Respondent's obligations in a competent and business-like fashion.
- d. administer claims, including paying all necessary and appropriate claim expenses in accordance with legislative obligations and, where necessary or appropriate in its determination, settle or litigate them.
- e. instruct solicitors and barristers to conduct litigation, where necessary
- f. instruct investigators, experts, assessors and such other consultants as appropriate
- g. where the Respondent determines in its discretion that this is appropriate, manage the pursuit of recoveries by appropriate and cost-effective means, including, without limitation, initiating proceedings against an employee (the subject of the claim) or relevant third parties (as the case may be) for contribution or total indemnity
- h. report to SIRA on matters as agreed between the parties from time to time
- i. do all things reasonably necessary to ensure the efficient and effective management of the claims
- j. use its reasonable endeavours to employ sufficient and competent personnel to manage the claims effectively and to perform the Respondent's functions; and
- k. maintain the reputation of SIRA and not do or omit to do anything which might diminish the reputation and goodwill of SIRA.

### **2.4 Record Keeping**

The Respondent must maintain proper financial and accounting records relating to the management and administration of the claims, files, documents, manuals, reports and other information relating to its management and administration of the claims as required by and in accordance with generally accepted accounting principles applicable in Australia.

Such records must include, but are not limited to:

- a. system updates
- b. payments, including payments of claims
- c. debtors'/creditors' ledgers, and
- d. cashflow and operational budgets.

## **2.5 Records Management**

- a. The bulk of the physical records pertaining to policies of insurance and historical claims must be stored offsite at a cost to be determined by the respondents to this RFP. An indication of cost based on the existing arrangements is AUD \$56,850 annually which includes retrieval and return.
- b. The Respondent will also be required to store some physical records onsite. Onsite storage requirements are currently 20-25 square metres. Physical records include files, ledgers, microfilm, microfiche and codex readers which need special care for storage and ongoing use.
- c. Current electronic records and claims risk enquiries are processed using the i30 system which is supported by SSP Asia Pacific Pty Ltd. Due to its age, i30 is not supported by a website setup. The successful Respondent would be provided with access to the system. The Respondent should understand and acknowledge that this system may be upgraded in future as required.

## **2.6 Managing Payments from Nominated Trust Account**

The Respondent must, at a minimum:

- a. maintain a trust account for the receipt of payments from SIRA to be held for payment of validated and appropriate claims costs
- b. have a payments system that:
  - (i) ensures that benefits are only paid where there is evidentiary and/or tax compliant documentation to support the amount to be paid
  - (ii) prevents overpayments, duplicate payments and/or payments not yet approved
  - (iii) is able to perform those activities normally required of an entity registered under Australian taxation and GST law
  - (iv) provides for all payments to be made electronically, and
  - (v) requires secondary approval for redemption settlement payments.

- c. ensure benefits that should be increased, reduced or ceased are adjusted in accordance with requirements of the legislation and other relevant statutory instruments
- d. ensure that all benefits are paid in a timely manner
- e. ensure that, in the event that there is overpayment of benefits, any excess amount is recouped from the recipient in a timely and fair manner
- f. ensure that the contractor or sub-contractor fees are withdrawn from the nominated trust account and invoices for these are submitted to the SIRA for review and payment, and
- g. ensure all claims costs are reconciled to the appropriate claimant file.
- h. The funds in the account must remain the property of SIRA until disbursed from the account by the Respondent to pay the claims expenses.

## **2.7 Reports**

- a. All reports, accounts and claims data submissions must be in a format approved by SIRA.
- b. The Respondent must submit to SIRA, in a timeframe stipulated by SIRA, a monthly claims report including, but not limited to; the incurred claims costs, specifying the number and estimated value of outstanding claims, and the amounts of claims paid.

## **2.8 Monthly Cashflow Forecast**

The Respondent must, at the end of each month, send to SIRA a rolling six month forecast of its cash requirements based on incurred or anticipated claim expenses, which must be in a form approved by SIRA.

## **2.9 Monthly Trust Account Statement**

The Respondent must provide to SIRA, by the 5th working day of the following month, unless otherwise requested, a trust account statement.

## **2.10 Monthly Bank Reconciliation**

The Respondent must provide to SIRA, by the 5th working day of the following month, unless otherwise requested, a Bank Account reconciliation.

## **2.11 Quarterly Claims Report and Trial Balance**

The Respondent must provide to SIRA, a quarterly report containing, but not limited to the following details on each claim managed by the Respondent:

- a. employer, worker and injury date
- b. inception and finalisation date of the applicable policy

- c. policy number
- d. claim expenses made during the preceding quarter
- e. the amount of any recoveries made during the preceding quarter, and
- f. current reserves/estimates.

## **2.12 Annual Budget Projection**

The Respondent must provide to SIRA, by the end of May each year, an annual budget for the ensuing financial year.

## **2.13 Annual Cashflow Statement**

The Respondent must provide to SIRA an annual cashflow statement relating to those claims being managed by the Respondent, in monthly amounts, prior to the commencement of each financial year beginning 1 July.

## **2.14 Annual Trial Balances**

The Respondent must submit to SIRA quarterly and annual trial balances, relating to those claims being managed by the Respondent and prepared in accordance with SIRA's accounting requirements. The annual trial balances are to be provided within four (4) business days of the end of each financial year, being 30 June, to enable SIRA to incorporate financial information into the financial statements of the Insurers' Guarantee Fund.

## **2.15 Annual Forecast**

The Respondent must submit to SIRA, annual forecasts of the Respondent's cashflow requirements to satisfy SIRA's obligations in relation to the Insurers' Guarantee Fund and their incorporation into the NSW State Budget each year.

## **2.16 Annual Assurance Report**

The Respondent must provide to SIRA, annually by 31 August, in relation to the preceding year ended 30 June, an assurance report compliant with, and prepared in accordance with, the Standard on Assurance Engagements ASAE 3402 Assurance Reports on Controls at a Service Organisation made by the Auditing and Assurance Standards Board established under Section 227A of the *Australian Securities and Investments Commission Act 2001* (Cth), as amended or replaced from time to time.

## **2.17 Annual Financial Statement Information**

The Respondent will submit working papers and management representations to support the annual financial statements. The information to be contained in the working papers and management representations may be amended from time to time in accordance with NSW Treasury and Audit Office directives.

### **2.18 Reporting on SIRA's future liabilities**

Each year, SIRA will engage and pay for a consulting actuary to provide an annual valuation of liabilities in respect of present and future claims and to provide an update valuation 6 months later. The Respondent must reasonably assist the actuary and, subject to legal requirements, must provide information on payments and outstanding claims as reasonably required by the actuary.

### **2.19 Registered for GST**

The Respondent must be registered under the GST Law and proof of registration must be promptly provided upon request by SIRA.

### **2.20 Insurances**

The Respondent must take out and maintain a policy of fidelity and professional indemnity insurance for the duration of any Agreement and a period of 7 years after termination.

The amount payable as indemnity for the policy will be no less than \$10 million.

The Respondent must, within 14 days of entering into any Agreement for provision of services, produce for inspection by SIRA, a certificate of currency relating to the policy of insurance.

### **2.21 Technical and Customer Service Support**

The Respondents will require support facilities including availability, customer enquiries and help desk for support.

### **2.22 Electronic Business**

The use of web-based systems is a requirement for any Respondent.

## **3. Payment of Fee**

In consideration of the provider undertaking the services in accordance with any agreement entered in to with SIRA, the provider will be paid a fee. The amount of any fee to be paid, including the payment structure, should be proposed in the provider's response.

The payment of any fee agreed upon (or any part of it) is conditional on:

- a. the provider satisfying every obligation in their response to SIRA's satisfaction; and
- b. the provider achieving the performance requirements to SIRA's satisfaction.

## **4. Manage Third Party Providers**

The Respondent must, at a minimum:

- a. utilise a consistent process that supports cost-effective selection and provision of services by third party providers, including practices that identify poor service, non-servicing, or over-servicing
- b. ensure that third party providers selected and utilised are appropriately qualified
- c. actively manage third party providers through regular evaluation of performance and implementation of appropriate actions in accordance with results, and
- d. ensure that third party providers are aware of and charge only the Gazetted fees (if applicable).

## **5. Respondent Performance Management**

- a. The Respondent must meet service standards and implement a Claims Management Plan in consultation with SIRA.
- b. The Respondent must actively participate in monthly meetings, engaging with SIRA to share experiences and improve service delivery.
- c. The Respondent must maintain its competence and professional expertise through various means, including, but not limited to:
  - (i) relevant training
  - (ii) attendance at industry or professional association activities, and/or
  - (iii) active research of case law, media developments and other relevant resources.
- d. The Respondent must maintain a focus on continuous improvement and utilise performance feedback to improve its service delivery.

## **6. Performance Management Process**

- a. SIRA will periodically review all relevant performance data and supporting information. This may involve, but is not be limited to:
  - (i) desktop review of reports
  - (ii) analysis of completion timeframes and comparison with required timeframes
  - (iii) analysis of outcomes of any claim file reviews and/or audits
  - (iv) formal or informal feedback and/or complaints, or
  - (v) onsite evaluations.
- b. SIRA and the Respondent will meet to discuss the outcome(s) of any periodic review.

## **7. Conflict of Interest**

The Respondent must develop, in consultation with SIRA, a Conflict of Interest Management Plan in respect of any actual, potential or perceived conflicts of interests.

## **8. Confidentiality**

All information and records exchanged between the parties under any Agreement, is confidential to them and may not be disclosed to any person except:

- a. to employees, legal advisers, auditors and other consultants of the party or its related bodies corporate requiring the information for the purposes of an Agreement
- b. with the consent of the party who supplied the information
- c. if the information is, at the date any Agreement is entered into, lawfully in the possession of the recipient of the information through sources other than the party who supplied the information
- d. as required or authorised by any legal requirement; or
- e. if the information is generally and publicly available other than as a result of breach of confidence by the person receiving the information.

## **9. Privacy**

In carrying out its obligations under any Agreement the Respondent:

- a. must comply, and ensure that its staff comply, with privacy legislation; and
- b. must do all that is reasonably necessary on its part to enable the SIRA to comply with privacy legislation.

The Respondent must develop a Privacy Management Plan in consultation with SIRA.

The Respondent must demonstrate their ability to manage and contain any security incident and mitigate the impact of the security incident on the Respondent and SIRA.