



**Australian Government**  
**Safety, Rehabilitation and  
Compensation Commission**



**Australian Government**  
**Comcare**

## **COST RECOVERY IMPLEMENTATION STATEMENT**

For activities and functions of the Safety, Rehabilitation and Compensation Commission and Comcare under the *Safety, Rehabilitation and Compensation Act 1988* and *Work Health and Safety Act 2011* relating to self-insured licensees under the *Safety, Rehabilitation and Compensation Act 1988*

2023-24

**Cost recovery** involves government entities charging individuals or non-government organisations some or all of the efficient costs of a specific government activity. This may include goods, services or regulation, or a combination of them. The Australian Government *Cost Recovery Guidelines 2014*<sup>1</sup> sets out the overarching framework under which government entities design, implement and review cost recovered activities.

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<sup>1</sup> The Cost Recovery Guidelines are available at [Australian Government Charging Framework | Department of Finance](#)

# 1. INTRODUCTION

## 1.1 Purpose of the Cost Recovery Implementation Statement (CRIS)

This CRIS provides information on how the Safety, Rehabilitation and Compensation Commission (Commission) and Comcare implement cost recovery for their activities and functions under the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) and *Work Health and Safety Act 2011* (WHS Act)<sup>2</sup> relating to self-insured licensees under the SRC Act.

It also reports financial and non-financial performance information for these activities and contains financial forecasts for 2023-24 and three forward years. The Commission and Comcare will maintain the CRIS until the activities or cost recovery for the activities has been discontinued.

## 1.2 Description of the activity

The SRC Act establishes the Commission and Comcare.

### Commission

The Commission is established under the SRC Act and is issuing authority and regulator of self-insurance licences under the SRC Act. The Commission is a member body, with Members (other than the Chief Executive Officer of Safe Work Australia) appointed by the Minister for Employment and Workplace Relations. Members have experience relevant to the Commission's functions and can represent views of stakeholders in the Comcare scheme<sup>3</sup>.

### Comcare

Comcare is established under the SRC Act and is a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Comcare is the national work health and safety regulator under the WHS Act. Comcare has responsibilities and functions in relation to its scheme and provides support to the Commission under the SRC Act.

Comcare and the Commission regulate entities that have been granted a self-insurance licence (licensees) under the Comcare scheme. These activities support licensees meeting the requirements of the SRC Act, the WHS Act and any requirements of a licensee's licence. Comcare and the Commission recover the costs of these activities through licence fees.

Cost recovery is appropriate because:

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<sup>2</sup>Most licensees commencing after 1 January 2012 are not covered by the WHS Act unless coverage under the WHS Act is prescribed by the Minister or provided for in legislation.

<sup>3</sup> The scheme provides all scheme employers with an integrated safety, rehabilitation and compensation system, no matter what Australian state or Territory an employer operates in or where its employees are located.

- the activities can be attributed to a defined group of users (licensees) and costs can be allocated to activities in a reasonable and transparent manner;
- licensees hold the approval through their self-insurance licence to accept and manage their own workers compensation claims; and
- the application of cost recovery is consistent with the government’s policy objectives.

Costs are payable by:

- organisations that have been granted a self-insurance licence (licensee); or
- organisations that apply for a self-insurance licence from the Commission (prospective licensee).

## **2. POLICY AND STATUTORY AUTHORITY TO COST RECOVER**

### **2.1 Government policy approval to cost recover the activity**

The legislative process, including Explanatory Memoranda for the original and amending legislation, and the passage of the SRC Act and the WHS Act by the Australian parliament, provides evidence of Government policy approval to cost recover activities related to licensees.

### **2.2 Statutory authority to charge**

#### **Licence Fees and Licence Application Fees**

Section 104A of the [SRC Act](#) establishes the authority for the Commission to charge for its regulatory functions and activities, and the regulatory functions and activities of Comcare by issuing licence fees.

Under section 89R(1) of the [SRC Act](#) Comcare’s CEO is delegated authority to estimate the amount payable by each licensee in a financial year, and the amount payable for a licence application.

## **3. COST RECOVERY MODEL**

The cost recovery model allocates costs to three main pools:

- Safety, Rehabilitation and Compensation Commission costs
- Comcare WHS Act functions and activities costs, and
- Comcare SRC Act functions and activities costs.

Diagram 1 shows this in further detail.

Diagram 1

SAFETY, REHABILITATION AND COMPENSATION COMMISSION AND COMCARE COST RECOVERY—CONCEPTUAL OVERVIEW OF CHARGING ARRANGEMENTS

	SAFETY, REHABILITATION AND COMPENSATION COMMISSION		COMCARE (WHS ACT FUNCTIONS AND ACTIVITIES)		COMCARE (SRC ACT FUNCTIONS AND ACTIVITIES)	
Functions and activities:	<p>Ongoing functions:</p> <ul style="list-style-type: none"> <li>&gt; Ensure equity of outcomes</li> <li>&gt; Advise the Minister</li> <li>&gt; Issue guidelines</li> <li>&gt; Reviews (premiums etc)</li> <li>&gt; Determine licence fees</li> <li>&gt; Self-insurance licences (monitor)</li> <li>&gt; WHS consultation forum</li> </ul>	<p>Variable functions:</p> <ul style="list-style-type: none"> <li>&gt; Self-insurance licences (applications, financial monitoring and regulatory actions, renewal)</li> <li>&gt; SRCC continuous improvement</li> </ul>	<p>Ongoing functions:</p> <ul style="list-style-type: none"> <li>&gt; Advise the Minister</li> <li>&gt; Advise and inform on WHS</li> <li>&gt; Promote and support education and training</li> <li>&gt; Collect, analyse and publish statistics relating to WHS</li> <li>&gt; Encourage relationships between duty holders and persons to whom they owe duties</li> <li>&gt; Information sharing across jurisdictions</li> </ul>	<p>Variable functions:</p> <ul style="list-style-type: none"> <li>&gt; Monitor and enforce compliance</li> <li>&gt; Comcare WHS continuous improvement</li> </ul>	<p>Ongoing functions:</p> <ul style="list-style-type: none"> <li>&gt; Advise the Minister</li> <li>&gt; Cooperate with other bodies</li> <li>&gt; Research</li> <li>&gt; Promote rehabilitation strategies</li> <li>&gt; Publish guidelines and materials</li> <li>&gt; Determine regulatory contributions and collect</li> <li>&gt; Collect licence fees</li> <li>&gt; Maintain contact with rehabilitation authorities</li> <li>&gt; Part III rehabilitation powers</li> </ul>	<p>Variable functions:</p> <ul style="list-style-type: none"> <li>&gt; Research (individual requests)</li> <li>&gt; Comcare SRC Act continuous improvement</li> </ul>
Types of operating costs	<ol style="list-style-type: none"> <li>1. SRCC costs</li> <li>2. SRCC support costs (eg secretariat, account management, legal services)</li> <li>3. Corporate costs (property, ICT etc)</li> </ol>	<ol style="list-style-type: none"> <li>1. Licence application costs</li> <li>2. Monitoring and regulatory action costs</li> <li>3. Prudential and financial costs</li> <li>4. SRCC continuous improvement project costs</li> </ol>	<ol style="list-style-type: none"> <li>1. Comcare costs (WHS)</li> <li>2. Corporate costs (property, ICT etc)</li> <li>3. Legal costs (WHS)</li> </ol>	<ol style="list-style-type: none"> <li>1. Comcare costs for enforcement actions</li> <li>2. Comcare costs for WHS audits (premium payers)</li> <li>3. Comcare continuous improvement project costs</li> </ol>	<ol style="list-style-type: none"> <li>1. Comcare costs (SRC)</li> <li>2. Corporate costs (property, ICT etc)</li> <li>3. Legal costs (SRC)</li> </ol>	<ol style="list-style-type: none"> <li>1. Research requests costs</li> <li>2. Comcare costs for regulatory activities</li> <li>3. Comcare continuous improvement project costs</li> </ol>
Paid by:	<ul style="list-style-type: none"> <li>&gt; Licensees</li> <li>&gt; Entities and Commonwealth Authorities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Licence applicants</li> <li>&gt; Licensees</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Entities, Commonwealth Authorities and Public Authorities</li> <li>&gt; Licensees covered by the WHS Act</li> <li>&gt; Australian Defence Force</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Entities, Commonwealth Authorities and Public Authorities</li> <li>&gt; Licensees covered by the WHS Act</li> <li>&gt; Australian Defence Force</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Entities and Commonwealth Authorities</li> <li>&gt; Licensees</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Entities and Commonwealth Authorities</li> <li>&gt; Licensees</li> </ul>
Charging methodology:	<ul style="list-style-type: none"> <li>&gt; Further distribute costs within licensees by entity</li> <li>&gt; Further distribute costs within Entities and Commonwealth Authorities by FTE</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Licence application fees charged to licence applicants</li> <li>&gt; Monitoring and regulatory action costs charged to licensees individually</li> <li>&gt; Improvement projects costs negotiated per project subject to balance of cost recovered funds</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Split cost of functions and activities between groups (% split)</li> <li>&gt; Further distribute costs within licensee group by 100% FTE</li> <li>&gt; Further distribute costs within the Entities, Commonwealth Authorities and Public Authorities groups by 100% FTE</li> <li>&gt; Apply ADF portion of costs to ADF only</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Compliance costs charged to entities incurring</li> <li>&gt; Improvement projects costs negotiated per project subject to balance of cost recovered funds</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Split cost of functions and activities between Licensees and Entities and Commonwealth Authorities (% split)</li> <li>&gt; Further distribute costs within licensee group by 100% FTE</li> <li>&gt; Further distribute costs within the Entities and Commonwealth Authorities by 100%FTE</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Regulatory costs charged to entities incurring</li> <li>&gt; Improvement projects costs negotiated per project subject to balance of cost recovered funds</li> </ul>

SAFETY, REHABILITATION AND COMPENSATION COMMISSION

### 3.1 Outcomes and business processes of the regulatory charging activity

#### **Outcome**

Comcare's purpose is to promote and enable safe and healthy work. To achieve this purpose, Comcare has five strategic priorities:

- excellence in service provision;
- engagement with our stakeholders
- prevention and early intervention across our scheme
- insight driven and risk and evidence-based practice; and
- being adaptive and sustainable in the face of change.

Licence fees fund the regulatory activities of the Commission and Comcare to ensure that licensees are compliant with the requirements of the SRC Act, the WHS Act and any conditions of their licence.

#### **Business Process**

There are three broad categories business processes:

- The Commission's functions and activities;
- Comcare – WHS Act functions and activities, and
- Comcare – SRC Act functions and activities.

### 3.2 Costs of the regulatory charging activity

The regulatory charging activity consists of costs incurred by the Commission and Comcare in carrying out their respective functions under the SRC Act and WHS legislation<sup>4</sup> that are reasonably referable to a licensee.

Comcare splits these costs into ongoing and variable functions and activities.

#### **Ongoing costs**

Ongoing costs cannot be directly attributed to an individual licensee. In some cases, the data to support attribution at the individual licensee level is not available, or it would be inefficient and costly to develop and maintain a model that allows cost recovery to such a precise degree.

The cost of ongoing functions are the full operating costs of the business areas within Comcare that perform functions and activities for the categories of work identified in section 3.1.

The full operating costs comprise of:

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<sup>4</sup> The Occupational Health and Safety Act 1991, the Work Health and Safety Act 2011, and the Work Health and Safety (Transitional and Consequential Provisions) Act 2011.

- costs for staff working directly on the functions and activities;
- supplier expenses involved in the delivery of the functions or activities; and
- a proportion of Comcare’s corporate costs (that is, a proportion of property, finance, human resources, information technology and other corporate costs).

### **Variable costs**

These relate to variable activities that are performed for a specific licensee, for example, a scheduled review for a particular licensee. The main cost drivers for variable activities are the total direct labour effort of each activity. Total direct labour effort is calculated using hourly rates based on salaries outlined in Comcare’s enterprise agreement and includes the full direct employee cost (direct costs) together with a proportion of Comcare’s corporate costs. Resources included in direct costs are:

- employee’s salary; and
- employee’s superannuation and leave entitlement.

The tables below provide a breakdown of the total costs within the scope for cost recovery for this statement. The 2023-24 estimated cost for ongoing functions and activities is outlined below, as well as the ‘per unit’ cost of variable functions and activities.

**Table 1. Safety Rehabilitation and Compensation Commission costs**

<b>Activities</b>	<b>Total estimated cost for 2023-24</b>
<b>Ongoing functions and activities</b>	
<b>Commission costs</b> This item includes Commission meeting costs, travel, member remuneration and supplier costs.	\$2,714,286
<b>Commission Support costs</b> This item includes secretariat, advice and support services.	\$489,618
<b>Commission data warehouse; scheme data management and reporting costs</b> This item includes management of data in Comcare’s systems, maintenance and support of these systems, providing analysis and producing reports.	\$352,107
<b>Corporate costs</b> This item includes corporate costs for human resource management, property, information and communication technology, learning and development, finance.	\$1,933,799
<b>Legal costs</b> This item includes the costs of legal advice.	\$202,612
<b>Variable functions and activities</b>	
<b>Licence application costs</b> This item includes the cost of assessing applications for licences and issuing licences throughout the year.	Actual cost of delivering activity.
<b>Licence extension and variation costs</b> This item includes the costs involved in an extension or variation of a current self-insured licensee’s licence.	Actual cost of delivering activity.
<b>Monitoring costs – Licence Compliance and Performance Model (LCPM)</b> This item includes: <ol style="list-style-type: none"> <li>1. Scheduled Review Year Two</li> <li>2. Scheduled Review Year Six</li> <li>3. Extensive Review</li> <li>4. Targeted Review</li> <li>5. Ad-hoc Review initiated by Comcare as required Extensive Review</li> </ol>	Actual cost of delivering activity.
<b>Prudential and financial costs</b> This item includes financial review and monitoring as prescribed by the Commission. <ol style="list-style-type: none"> <li>1. Annual monitoring against Commission financial indicators</li> <li>2. Quarterly continuous monitoring</li> </ol>	Per unit costs: <ol style="list-style-type: none"> <li>1. \$5,363 per report</li> <li>2. \$3,300 per report</li> </ol>

**Table 2. Comcare – WHS Act functions and activities**

Activities	Total estimated cost for 2023-24
<b>Ongoing functions and activities</b>	
<p><b>Comcare costs</b></p> <p>This item includes:</p> <ul style="list-style-type: none"> <li>• notifications management</li> <li>• regulatory operational support activities</li> <li>• collect, analyse, report, and publish statistics relating to WHS</li> <li>• participating in multi-jurisdiction forums</li> <li>• advice and support provided through the helpdesk and website</li> <li>• providing information and advice in the field and</li> <li>• national forums, targeted forums and presentations.</li> </ul>	\$4,770,450
<p><b>Corporate costs</b></p> <p>This item includes corporate costs for human resource management, property, information and communication technology, learning and development, and finance.</p>	\$4,189,228
<p><b>Legal costs</b></p> <p>This item includes the costs of legal advice (not prosecutions, as this cost is appropriation funded).</p>	\$792,403
<b>Variable functions and activities</b>	
<p><b>Comcare costs for targeted compliance and enforcement actions</b></p> <p>This item includes:</p> <ol style="list-style-type: none"> <li>1. Investigation</li> <li>2. Inspection</li> <li>3. Responding to PIN disputes</li> <li>4. Responding to entry permit holder disputes</li> <li>5. Responding to Work Group and WHS Committee disputes</li> <li>6. WHS Undertakings</li> <li>7. Regulatory Programs</li> </ol> <p>Note:</p> <ul style="list-style-type: none"> <li>• Regulatory Programs are prospective programs where charging will only occur where the licensee has been consulted.</li> </ul>	<p>Per unit costs:</p> <ol style="list-style-type: none"> <li>1. \$29,502</li> <li>2. \$8,822</li> <li>3. \$3,619</li> <li>4. \$2,343</li> <li>5. \$2,343</li> <li>6. Actual cost of delivering activity</li> <li>7. Actual cost of delivering activity</li> </ol>



**Table 3. Comcare – SRC Act functions and activities**

Activities	Total estimated cost for 2023-24
<b>Ongoing functions and activities</b>	
<p><b>Comcare costs</b></p> <p>This item includes:</p> <ul style="list-style-type: none"> <li>• research, information and statistics management – collect, analyse, report, share</li> <li>• policy and regulatory practice advice and support – scheme guidance, Permanent Incapacity guide</li> <li>• participate in multi-jurisdiction forums – Safe Work Australia, Technical Advisory Groups, Special Interest Groups, Heads of Worker Compensation Authorities</li> <li>• advice and support</li> <li>• education, forums, presentations</li> <li>• oversight of rehabilitation providers</li> <li>• reporting – for example, corporate governance, Commission, Ministerial, Safe Work Australia.</li> </ul>	<p>\$2,381,594</p>
<p><b>Corporate costs</b></p> <p>This item includes corporate costs for human resource management, property, information and communication technology, learning and development, finance.</p>	<p>\$1,232,732</p>
<p><b>Legal costs (SRC)</b></p> <p>This item includes scheme significant litigation management and legal advice.</p>	<p>\$490,789</p>

### 3.3 Design of cost recovery charges

The licence fee is a regulatory charge that aims to recover the costs associated with the regulation of licensees by Comcare and the Commission.

Cost recovery arrangements are used to drive improved performance and compliance across licensees through increased licence fees (driven by an increase in variable activities) for licensees who do not meet compliance and performance benchmarks and targets.

#### **Commission Ongoing Functions and Activity Costs**

Most of the ongoing function and activity costs of the Commission are allocated to licensees due to the role the Commission plays in their regulation under the SRC Act. These ongoing costs are distributed across licensees at the start of the financial year by dividing the total estimated cost by the total number of entities.

#### **Commission Variable Functions and Activity Costs**

Variable functions and activities are charged in arrears for those activities conducted between 1 January 2022 and 31 December 2022 in the regulation of individual licensees, when determining the 2023-24 licence fees.

### **Comcare Ongoing Functions and Activity Costs**

The costs of Comcare's SRC and WHS ongoing functions and activities in regulating licensees are distributed across those licensees according to their coverage at the start of the financial year on a total full time equivalent (FTE) pro rata basis.

A 100 percent FTE split has been adopted for ongoing costs as the number of FTE of an entity is a large driver for the activities of Comcare with respect to that entity. The FTE total used to calculate costs represents FTE as reported by licensees.

### **Comcare Variable Functions and Activity Costs**

Variable functions and activities are either costed by a fixed per-activity cost, or on a time and material basis (at cost).

A fixed per-activity cost is used for activities where the process is highly predictable. This type of charge covers the estimated direct and corporate costs of a Comcare officer performing the activity.

At cost charging is used for activities where the time and effort required varies significantly and must be assessed on a case-by-case basis.

All variable functions and activities (fixed per-activity and at cost) are charged in arrears for actual activities conducted between 1 January 2022 and 31 December 2022 when determining the 2023-24 licence fees.

### **New entrant application and licence fees**

Applicants for a self-insurance licence will pay:

- a licence application fee as determined by Comcare.

An entity granted a self-insurance licence commencing on or after 1 July will pay:

- a licence application fee as determined by the Comcare and attributable to the licensee's application for a self-insurance licence; and
- a pro rata licence fee for the part of the year the licence will be granted. This amount includes ongoing function and activity costs for the part of the year the licensee will be self-insured.

## **4. RISK ASSESSMENT**

### **4.1 Cost Recovery Risk Assessment**

Comcare has undertaken a risk assessment for this CRIS, using the Better Practice Template for a Charging Risk Assessment (CRA) for regulatory activities, provided by the Department of Finance. The risk assessment is provided in Attachment A. The Commission and Comcare's Cost Recovery (licence fee) process is assessed as a medium risk.

## 5. STAKEHOLDER ENGAGEMENT

### 5.1 Stakeholders

The following stakeholder groups were identified for this CRIS:

Stakeholders
<b>Primary:</b> Licensees
<b>Secondary:</b> Department of Employment and Workplace Relations, Department of Finance.

### 5.2 Communication objectives

An ongoing communication strategy exists to ensure Comcare effectively engages, consults and communicates with self-insured licensees on their charges and any proposed changes to the charging methodology.

### 5.3 Engagement activities

Comcare supports licensees through tailored account management and engages with licensees as a group through quarterly Licensee Liaison Forums. Comcare advises licensees of indicative fees in April or May each year.

This advice is provided to enable:

- Consideration of predicted fees in licensees' budgeting processes, and
- An opportunity for licensees to review and provide feedback to Comcare prior to the issuance of final fees.

For the 2023-24 charging period there has been no change to the statutory authority, policy approval and cost recovery methodology used in previous years. Final fees for 2023-24 will be issued in July 2023.

Date	Activity	Feedback or Comments
April 2023	Comcare to send out indicative fee letters to all licensees for information and review.	Complete
May to June 2023	Comcare to consider feedback from licensees on indicative fees.	In progress
June 2023	Licensee Liaison Forum <ul style="list-style-type: none"><li>• 2022-23 Q3 financial performance reporting</li><li>• 2023-24 final licence fee update</li></ul>	Not yet due
July / August 2023	Comcare to issue final fees to all licensees.	Not yet due

## 6. FINANCIAL ESTIMATES

The table below sets out financial estimates for the cost recovery arrangements for self-insured licensees for 2023-24 and three forward years.

	2023-24	2024-25 <sup>#</sup>	2025-26 <sup>#</sup>	2026-27 <sup>#</sup>
<b>Expenses</b>	\$22,902,000	\$22,170,000	\$22,170,000	\$22,170,000
<b>Revenue</b>	\$22,108,000	\$22,170,000	\$22,170,000	\$22,170,000
<b>Balance</b>	-\$794,000	-	-	-
<b>Explain material variance<sup>5</sup></b>	In 2023-24 Comcare expects to draw upon surplus cost recovered funds from previous years by \$794,000 to limit the increase in licence fees.			
<b>Explain balance management strategy</b>	The Commission and Comcare have a surplus balance of cost recovered funds from licensees from previous years. The balance provides a contingency reserve for unexpected costs arising from the functions of Comcare and the Commission in the current financial year. Comcare keeps licensees informed of surplus funds balances as required.			

<sup>#</sup> Portfolio Budget Statement forward year estimates are based on an indicative increase in wage and supplier costs. These figures are subject to change, and do not reflect any efficiencies or reduction in costs achieved by the Commission or Comcare for the self-insured licensees.

## 7A. FINANCIAL PERFORMANCE

The table below sets out prior year revenue recovered for self-insured licensee functions and activities.

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Estimated Actual 2022-23
<b>Licence fees</b>	\$15,979,000	\$18,201,000	\$19,059,000	\$20,549,000
<b>Expenses</b>	\$15,985,434	\$17,226,000	\$18,998,000	\$18,448,000
<b>Balance</b>	-\$6,434	\$975,000	\$61,000	\$2,101,000
<b>Explain material variance<sup>6</sup></b>	The surplus results in 2022-23 will be mainly due to underspends in business-as-usual operations and fluctuations in staffing level.			

## 7B. NON-FINANCIAL PERFORMANCE

The Australian Government has developed a framework to measure the performance of regulators. The [Regulator Performance Framework](#) comprises six outcome-based key performance indicators (KPIs) to articulate the Government's overarching expectations of regulator performance:

- KPI 1 - Regulators do not unnecessarily impede the efficient operation of the regulated entities
- KPI 2 - Communication with regulated entities is clear, targeted and effective
- KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed
- KPI 4 - Compliance and monitoring approaches are streamlined and coordinated
- KPI 5- Regulators are open and transparent in their dealings with regulated entities
- KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks

<sup>5</sup> As defined by AASB1031 and Division 12 – Materiality and Disclosure of the Finance Minister's Orders.

<sup>6</sup> As defined by AASB1031 and Division 12 – Materiality and Disclosure of the Finance Minister's Orders.

This framework has been applied since 1 July 2015 with the first assessment period being the 2015-16 financial year. Comcare reports annually on its performance against a set of agreed KPIs. This is externally validated by the National Workplace Relations Consultative Committee.

Comcare also measures its WHS Regulation performance with the performance measures in the Portfolio Budget Statements. The final status against performance targets is reported in the Annual Report.

## 8. KEY FORWARD DATES AND EVENTS

A list of key dates and events necessary to maintain and implement the CRIS process throughout the year is below.

Any events that result in changes to the CRIS will be included in the CRIS approval and change register in the next section.

Date	Event
August 2023	Possible update of estimated financial results due to Mid-Year budget update.
April 2024	Indicative licence fees drafted for stakeholder consultation.
June 2024	Finalise 2024-25 licence fees.

## 9. CRIS APPROVAL AND CHANGE REGISTER

The Commission and Comcare will maintain an up-to-date CRIS approval and change register. This will allow changes to the CRIS due to changes to the cost recovered activity (for example, new policy decisions or changes to the cost recovery model) to be recorded.

Approval date	Approver	Approval Required
22 June 2023	Comcare CEO	Certification of the CRIS.
9 August 2023	Minister	Approval of the CRIS.
15 August 2023	Commission	Noting of the approval of the CRIS.

**Attachment A - Comcare Charging Risk Assessment**

Implementation risks		Low	Medium	High
1. What is the proposed change in annual cost recovery revenue for the activity?	<input type="checkbox"/>	<5%	<input checked="" type="checkbox"/> 5 < 10 %	<input type="checkbox"/> >10% Or New
2. What is the total proposed annual cost recovery revenue for the activity?	<input type="checkbox"/>	0 - \$10m	<input type="checkbox"/> \$10m < \$20m	<input checked="" type="checkbox"/> \$20m +
3. What does the policy proposal or change in the cost recovered activity involve?	<input checked="" type="checkbox"/>	Change in the level of existing cost recovery charges	<input type="checkbox"/> Change in the structure of existing cost recovery charges and/or composition of payers	<input type="checkbox"/> Introduction of cost recovery for a new activity or for an existing activity (or its components) that has not been cost recovered previously
4. What type of cost recovery charges will be used?	<input type="checkbox"/>	Levies only	<input checked="" type="checkbox"/> Fees only or fees and levies	<input type="checkbox"/> Fees, levies and other charges
5. What legislative requirements are necessary for imposition of cost recovery charges?	<input type="checkbox"/>	Does not involve an Act of Parliament (e.g. Regulations, Determinations etc)	<input checked="" type="checkbox"/> Involves an Act of Parliament (e.g. enabling Act or levy imposition Act)	<input type="checkbox"/> Requires State/Territory legislative changes or referral of powers to the Commonwealth
6. Does the proposal involve working with other Commonwealth, State/Territory and/or local government entities?	<input checked="" type="checkbox"/>	No	<input type="checkbox"/> Yes - with Commonwealth entities only	<input type="checkbox"/> Yes – with Commonwealth and State/Territory entities
7. What will be the expected impact of cost recovery on payers? <i>This may depend on, among other things:</i> <ul style="list-style-type: none"> <li>• the change in the level of charges</li> <li>• the number of people affected</li> <li>• the cumulative effect from other government charges/regulation</li> <li>• the economic conditions etc.</li> </ul>	<input checked="" type="checkbox"/>	Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High
8. What consultation has occurred with payers and other stakeholders about the proposed cost recovery?	<input checked="" type="checkbox"/>	Consulted - no significant issues raised	<input type="checkbox"/> Consulted – significant issues raised but can be addressed	<input type="checkbox"/> Not consulted <u>or</u> consulted and significant issues raised but ongoing sensitivities
<b>Overall CRA rating:</b>		<input type="checkbox"/> <b>LOW</b>	<input checked="" type="checkbox"/> <b>MEDIUM</b>	<input type="checkbox"/> <b>HIGH</b>
<p><b>Supporting analysis:</b> Comcare’s Cost Recovery (Licence Fees) process (performed on behalf of the Safety, Rehabilitation and Compensation Commission) is assessed as a medium risk due to the annual revenue, the type of charges, the change in cost recovery activity and the legislative requirements involved. A medium risk means that the Cost Recovery Implementation Statement can be approved by the responsible Minister and does not require the Finance Minister’s agreement for release before charging begins as per Department of Finance Regulatory Charging Risk Assessment Requirements.</p>				
<b>Entity sign-off:</b>	<b>Date: 22 June 2023</b>	<b>Finance comment:</b> The CFO has been engaged directly in the duration of the CRIS and is in agreement with the methodology, budget and overhead financial data contained therein. The CFO assesses that the CRA is reflective of the input and is a fair representation of the outcome.		<b>Date: 23 May 2023</b>