



2023–2024

Statement of Corporate Intent

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Introduction

This Statement of Corporate Intent has been prepared under the direction of, and is submitted by, the WorkCover Queensland Board of Directors (WorkCover), in accordance with the *Workers' Compensation and Rehabilitation Act 2003* (the Act).

This Statement of Corporate Intent should be read in conjunction with the 2023–2027 WorkCover Queensland Corporate Plan.

1 Goals



Inspire our people to be open to learning and growing to achieve our strategy



Improve how we work to maximise value for our customers and stakeholders



Modernise and simplify our technology to serve our customers and our people



Care for and support injured workers and employers by engaging collaboratively

2 Main undertakings

WorkCover is a government-owned statutory body and is the main provider of workers' compensation insurance in Queensland. A WorkCover accident insurance policy covers injured workers for their lost wages and medical and rehabilitation costs after a workplace accident and covers employers against these costs and possible common law claims.

The main provisions of the Act provide the following for workers and employers:

- compensation
- access to damages
- employers' liability for compensation
- employers' obligation to be covered against liability for compensation and damages
- management of compensation claims by WorkCover
- injury management, focusing on rehabilitation of workers particularly for return to work.

It is intended that WorkCover will:

- maintain a balance between:
 - providing fair and appropriate benefits for injured workers or dependents, and
 - ensuring reasonable cost levels for employers
- ensure that injured workers or dependents are treated fairly
- provide for the protection of employers' interests in relation to claims for damages for workers' injuries
- provide for employers and injured workers to participate in effective return to work (RTW) programs
- provide for flexible insurance arrangements suited to the particular needs of industry.

GOAL		STRATEGIES
 Purpose-driven culture	Inspire our people to be open to learning and growing to achieve our strategy	<ul style="list-style-type: none"> – Nurture a culture of striving for excellence and mutual accountability – Support authentic leaders who inspire growth and performance – Grow talented employees who shape the future of workers' compensation – Champion inclusive practices and celebrate diversity – Act as a leader of talent acquisition and development strategies
 Operational excellence	Improve how we work to maximise value for our customers and our stakeholders	<ul style="list-style-type: none"> – Transform statutory and common law claims management to improve claim outcomes – Strengthen relationships with stakeholders and partners to influence positive outcomes with a focus on mutually beneficial digital efficiencies – Enhance return to work outcomes for primary mental injuries and implement claims management strategies to reduce secondary mental health injuries – Ensure financial sustainability through appropriate claims management, premium and investment strategies
 Digitally innovative	Modernise and simplify our technology to serve our customers and our people	<ul style="list-style-type: none"> – Align our digital transformation with our strategic priorities and deliver value – Ensure our cyber posture protects our customers, people and information assets – Rationalise and innovate our existing digital, data and supporting system capabilities
 Valued experiences	Care for and support injured workers and employers by engaging collaboratively	<ul style="list-style-type: none"> – Collaborate and partner across the Queensland community to deliver safe return to work outcomes – Build and sustain experiences and a culture that puts our customers at the centre – Partner with Office of Industrial Relations, Workplace Health and Safety and other stakeholders to help customers improve safety and return to work, focusing on our Injury Risk Reduction Initiatives (IRRI) and the Injury Prevention and Management Program (IPaM)

3 Financial and non-financial performance indicators

Performance indicators are focused at the corporate level. As part of WorkCover's performance management system, leaders and their people have indicators specifically directed to their business units.

INDICATOR	2023-2024 TARGET
Operations	
Average weekly compensation paid days	52 days
Average annual statutory claim cost	<\$12,800
Final Return to Work (RTW) %	91.5%
Average common law claim cost	<\$212,000
Financial	
Funding ratio	>120%
Average premium rate (target)	\$1.29
Break even premium rate	\$1.40
Management and levy expense rate	\$0.20
Experience	7.5 / 10
Customer experience measure (injured workers and employers)	

4 Capital structure and payments to the consolidated fund

In accordance with the Act, WorkCover is taken to be fully funded if it is able to meet its liabilities for compensation and damages payable from its funds and accounts and maintain capital adequacy as required under the *Workers' Compensation and Rehabilitation Regulation 2014* (the Regulation). The Regulation states that in order to maintain capital adequacy, WorkCover's total assets must at least be equal to total liabilities (this correlates to a funding ratio of 100%).

The Act allows for payments to be made to the consolidated fund. The WorkCover Board will make a recommendation to the Minister with respect to such a payment (if any) following certification of the 2022-2023 financial statements.

Each year the Workers' Compensation Regulator levy and the Workplace Health and Safety Queensland grant are payments made in accordance with the Minister's instruction as approved by the Governor-in-Council by gazette notice for the prevention, recognition and alleviation of injury to workers, making employers and workers aware of their rights and obligations, and scheme-wide rehabilitation and return to work programs for workers.

5 Borrowings made, proposed to be made

WorkCover currently has no borrowings and there are none planned for the immediate future. Investment funds are used to manage all cash flow requirements. WorkCover's borrowing policy is outlined in 7.3.

6 Policies adopted to minimise and manage the risk of investments and borrowings that may adversely affect financial stability

7.1 Investment risk

WorkCover has a robust investment management program, maintaining a balanced investment profile with a long-term outlook commensurate with being a long-term insurance operation. WorkCover engages the Queensland Investment Corporation (QIC) as investment manager, and an independent investment consultant to assist with investment portfolio oversight and governance.

A strong Investment Management Agreement governs WorkCover's arrangement with QIC. In addition, the WorkCover Board monitors investment at each meeting and receives regular presentations from QIC. The Board reviews the investment strategy annually, and an independent review framework exists to continuously monitor the investments management program through focused quarterly reviews, including a holistic external strategy review every two years.

Derivative instruments are used as part of the investment strategy to hedge foreign exchange risks, rebalance asset classes and to help achieve particular exposures by taking advantage of, and protect against, market conditions.

7.2 Business risk

WorkCover has a risk management program in place. Risk registers are maintained and monitored by each business group. Strategies to manage risk are incorporated into each group's business planning process. WorkCover's Board approves the risk management framework and sets the risk appetite. The WorkCover Risk and Audit Committee is responsible for overseeing the risk management program, including reviewing and monitoring WorkCover's top strategic risks on a quarterly basis.

7.3 Borrowing risk

The Act provides the framework for WorkCover's procedures for borrowing. WorkCover may enter into such arrangements to procure equipment up to an amount and on such terms as it considers appropriate. All financing arrangements will be made in conjunction with Queensland Treasury Corporation (QTC) in order to establish that applicable rates are competitive and conditions are appropriate. Board approval will be required for all financing arrangements over pre-defined expenditure limits. All limits are as stated in the WorkCover delegation manual.

8 Policies and procedures relating to acquisition and disposal of significant assets

In acquiring or disposing of significant assets, WorkCover complies with the *Financial and Performance Management Standard 2019* and Queensland Treasury guideline—Non-Current Asset Policies for the Queensland Public Sector.

Significant assets may be acquired via purchase, finance lease agreement, donations, or transfer from other government entities. A business case must be submitted to the CEO and/or Deputy CEO seeking approval. The CEO will present any major initiatives to the Board for approval. Approval limits are as stated in the WorkCover delegation manual.

When disposing of significant assets, approval must be sought from the appropriate delegated authority. Approval limits are as stated in the WorkCover delegation manual.

9 Accounting policies applying to preparation of accounts

WorkCover's accounting policies are outlined each year in the Annual Report and are reviewed as part of the financial statements audit process. More information on accounting policies is provided in WorkCover's Financial Management Practice Manual (FMPM).

10 Community service obligations

It is not envisaged that the government will require WorkCover to perform any specific community service obligations.

11 Employment and industrial relations plan

WorkCover prepares an employment and industrial relations plan annually in accordance with the Act.

12 Information to be reported to the Minister

12.1 Quarterly reporting

A quarterly report will be provided to the Minister within one month of the end of the relevant quarter as required by the Act. The report will contain information regarding WorkCover's performance against the Statement of Corporate Intent.

12.2 Annual reporting

A full annual report will be provided to the Minister in accordance with the Act and in compliance with the *Financial and Performance Management Standard 2019*, which requires WorkCover to give the annual report to the Minister to allow the report to be tabled in the Legislative Assembly within three months after the conclusion of each financial year.