

NATIONAL INJURY INSURANCE AGENCY, QUEENSLAND

Annual report

2020 - 2021



NIISQ
MAKING LIVES BETTER

This annual report details the NIIISQ Agency's performance between 1 July 2020 and 30 June 2021.

It provides details about our financial and non-financial performance, documents information about our operating environment, organisational structure, governance and demonstrates how we deliver our statutory obligations and provide value to NIIISQ participants.

This report has been prepared in accordance with the *Annual report requirements for Queensland Government agencies (2020-21 reporting period)*, and the prescribed requirements of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and the *National Injury Insurance Scheme (Queensland) Act 2016*.

Accessing this report

Visit www.niis.qld.gov.au/about-us/corporate-publications/ to view this annual report.

Copies of the report are also available in paper format. To request a copy, please contact us on the details below.

NIIISQ Agency

GPO Box 1391, Brisbane Qld 4001

Phone: 1300 607 566

Email: enquiries@niis.qld.gov.au

Web: www.niis.qld.gov.au

ISSN:2208 – 102X

Interpreter service statement



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 1300 607 566 and we will arrange an interpreter to effectively communicate the report to you.

© The National Injury Insurance Agency, Queensland 2021

Licence: This annual report is licensed by the National Injury Insurance Agency, Queensland under a Creative Commons Attribution (CC BY) 4.0 International licence.



CC BY Licence Summary Statement: In essence, you are free to copy, communicate and adapt this annual report, as long as you attribute the work to the National Injury Insurance Agency, Queensland.

To view a copy of this licence, visit: <http://creativecommons.org/licenses/by/4.0/>

Attribution: Content from this annual report should be attributed as:
The National Injury Insurance Agency, Queensland Annual Report 2020-21.

Contents

Letter of compliance	4		
Chief Executive Officer report	5		
 Chapter 1: ABOUT US		 Chapter 5: SCHEME STATISTICS	32
About NIISQ	6		
The NIISQ Agency	8	Chapter 6: FINANCIAL	
Partnership with workers' compensation insurers	9	Summary of financial performance	38
Our vision, purpose and function	10	 Chapter 7: FINANCIAL STATEMENTS	39
Our values	11		
Supporting Queensland Government objectives	12	APPENDICES	
 Chapter 2: PEOPLE		Appendix 1: <i>Strategic Plan 2020-2024</i>	78
Our people	13	Appendix 2: Actuarial certificate	79
Our executive leadership team	15	Appendix 3: Glossary	81
Our organisational structure	16	Appendix 4: Compliance checklist	82
 Chapter 3: PERFORMANCE			
Report card	21		
Research and education	22		
 Chapter 4: GOVERNANCE			
Our governance framework	23		
<i>Queensland Future Fund (Titles Registry) Act 2021</i>	23		
Funding NIISQ	28		
Risk management	28		
Internal and external accountability	30		
Information systems and recordkeeping	30		
Other disclosures	31		

Letter of compliance / certification of financial statements

7 September 2021

The Honourable Cameron Dick MP
Treasurer and Minister for Investment
GPO Box 611
Brisbane Qld 4001

Dear Treasurer

I am pleased to submit for presentation to the Parliament, the Annual Report 2020-2021 and financial statements for the National Injury Insurance Agency, Queensland (NIISQ Agency).

This report is prepared on the basis of the current administrative arrangements for this Agency applying for the whole 2020-21 financial year. That is, it reflects the structure, operations and performance of the NIISQ Agency as it now exists.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and the *National Injury Insurance Scheme (Queensland) Act 2016*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at Appendix 4 of this annual report or at www.niis.qld.gov.au.

Yours sincerely



Neil Singleton
Chief Executive Officer
National Injury Insurance Agency, Queensland

Chief Executive Officer's Report

As the National Injury Insurance Scheme (NIISQ) enters its fifth year, it has already provided important support to over four hundred people who have experienced a serious personal injury in a motor vehicle-related accident in Queensland.

Following legislative reforms in June 2021, the governance arrangements for the NIISQ Agency changed, and the new operating model for the Agency is now being implemented. The reforms will deliver operational cost savings and better align the way the NIISQ and CTP schemes operate in supporting seriously injured people.

I was privileged to be associated with NIISQ when it commenced in July 2016, and am now privileged to be back working again with the professional and highly committed team at the NIISQ Agency. Since my return, I have been overwhelmed by the renewed enthusiasm of the team and positive feedback from external stakeholders.

Work is already underway to simplify the way the NIISQ Agency operates, to increase collaboration and better enable service provider interaction. This will contribute to better outcomes for our participants and peace of mind for their families and carers.

Over the coming year, our priority will be on improving the ways in which people interact with the NIISQ Agency, strengthening decision-making frameworks, simplifying forms and processes and establishing stakeholder forums to draw in feedback and ideas that will help us improve.

I am committed to ensuring we have an inclusive, safe and respectful workplace where people are heard and supported. The team have already identified a broad range of areas where there is scope to innovate and improve.

I thank the previous Board and executive team for their contribution in bringing NIISQ through to its fifth year. I am also extremely grateful to the NIISQ Agency staff and leadership team who have remained focused on supporting injured participants. With a refresh of the way things are done, we are well placed for the future.

I look forward with energy and enthusiasm knowing there is strong stakeholder support and the NIISQ Agency team is committed to the success of the Scheme — all delivering on the important role NIISQ plays in supporting people with serious injuries.

Neil Singleton
Chief Executive Officer



About us

About NIISQ

The National Injury Insurance Scheme, Queensland (NIISQ) funds necessary and reasonable treatment, care and support for people who have sustained an eligible serious personal injury in a motor vehicle accident in Queensland, on or after 1 July 2016.

NIISQ is a no-fault scheme, meaning necessary and reasonable treatment, care and support can be funded regardless of who was at fault in the accident. The injured person must also meet all eligibility criteria outlined in the *National Injury Insurance Scheme (Queensland) Act 2016* (the NIISQ Act) and *National Injury Insurance Scheme (Queensland) Regulation 2016* (the Regulation).

In line with the NIISQ Act, an eligible serious personal injury includes:

- Permanent spinal cord injuries
- Traumatic brain injuries
- Multiple or high-level limb amputations
- Permanent injury to the brachial plexus
- Severe burns, and
- Permanent blindness caused by trauma.

Under the NIISSQ Act, the NIISSQ Agency may fund necessary treatment, care and support for eligible participants with the stated serious personal injuries. This includes funding the provision of services for:

- Rehabilitation
- Medical and pharmaceutical treatment
- Dental treatment
- Prostheses
- Aids and appliances
- Respite care
- Educational and vocational training
- Home and transport modifications
- Attendant care and support, and
- Ambulance transportation.

Once someone is accepted into NIISSQ, they enter as an interim participant and will receive funding for necessary and reasonable treatment, care and support related to their motor vehicle accident injuries for the next two years.

Towards the end of those two years, the interim participant's recovery is assessed to determine whether they can leave the Scheme as a result of their recovery, or if they are eligible to continue to receive necessary and reasonable treatment, care and support for the rest of their life.

Different eligibility criteria may apply for participants aged under 18 years.

The NIISQ Agency

The National Injury Insurance Agency, Queensland (NIISQ Agency) was also established on 1 July 2016 to assess eligibility and arrange payment of necessary and reasonable treatment, care and support for NIISQ participants, as well as managing and monitoring the provision of these services.

Our Agency emphasises a collaborative and innovative working culture which provides staff with the opportunity to deliver high-quality services for participants and excellence across all our business functions.

Under the NIISQ Act, our main functions are to:

- Administer the Scheme
- Provide information to the community about the Scheme
- Monitor and review the operation of the Scheme, including the treatment, care and support received by participants under the Scheme
- Conduct research and collect statistics about the Scheme
- Give advice and information to the Treasurer and the Insurance Commission about the administration, efficiency and effectiveness of the Scheme
- Provide support and funding for programs, research and education relevant to the treatment, care and support of participants in the Scheme
- Manage the fund that pays for the costs of providing necessary and reasonable treatment, care and support of participants in the Scheme
- Set investment objectives for the fund or part of the fund and establish investment strategies and policies to achieve the objectives, and
- Keep a register of providers of services under the Scheme.

Partnership with workers' compensation insurers

In 2016, the *Workers' Compensation and Rehabilitation Act 2003* was amended to make several changes to Queensland's workers' compensation scheme, including implementing the National Injury Insurance Scheme (NIIS) for work-related catastrophic injuries connected with Queensland.

Consistent with the NIIS for motor vehicle accidents in Queensland, the NIIS for work-related catastrophic injuries provides all eligible seriously injured workers with a lifetime statutory entitlement to treatment, care and support payments.

WorkCover Queensland has provided workers' compensation insurance in Queensland since 1997 and has recognised NIISQ Agency as a centre for excellence in supporting people with serious personal injuries.

Under an agreement with WorkCover Queensland and other workers' compensation insurers, we have been entrusted to perform their functions and exercise their powers in providing this lifetime statutory entitlement.

NIISQ Agency is providing this service to 52 eligible workers.

We work with WorkCover Queensland and other workers' compensation insurers to facilitate:

- A close partnership with the worker and their family, and medical and allied health professionals, to facilitate independent living and a successful rehabilitation and durable return-to-work outcome where possible
- Awareness for potential eligibility with social workers and/or hospital personnel to ensure eligible workers are referred as early as possible
- Support for workers and their families through any referral process to the NIISQ Agency
- Identification and/or coordination of any return-to-work opportunities that deliver realistic and sustainable return-to-work outcomes for the participant, and
- Maintaining the relationship with WorkCover Queensland and other workers' compensation insurers around involvement with the pre-injury employer where appropriate.

NIISQ participants and injured workers benefit from our extensive network

We partner with other government agencies, including Queensland Health, to ensure participants are well-supported throughout their recovery journey. Our strong working relationships with hospitals assists with discharge planning, ensuring a smooth transition for participants returning home from hospital.

A culture of continuous improvement is embedded in our organisation, including membership of interjurisdictional groups of government lifetime care schemes to ensure we exchange and contribute to innovative and evidence-based practices.

NIISQ participants, injured workers and their families are provided with a high-quality support experience that aims to provide information and build health literacy to assist in managing their uncertainty as they adjust to life-changing injuries. We support people throughout the recovery continuum and empower participants to live their best lives. A cultural resource is provided to our team to assist participants to be supported in a culturally safe way.

Our vision

- Making Lives Better.

Our purpose

- Empowering participants to live their best lives.

Our guiding principles and functions

To ensure we operate in a way that achieves our vision and purpose, the below principles underpin all that we do:

- Participant-centred
- Financially sustainable
- Value for money services within community expectations
- Empower participants through decision-making and choice
- Focus on health and social outcomes
- Dignity and respect are paramount.

Our strategic risks

We manage our key strategic risks which relate to:

- Assisting participants to adapt to their changing circumstances
- Ensuring quality and safeguarding requirements are being addressed
- Balancing the needs of diverse stakeholders, and
- Creating an agile response and plan for Scheme and Agency growth over time.

Our opportunities

We are also committed to leveraging the following opportunities:

- Enhancing digital services for participants and service providers
- Developing data analytics and business intelligence capabilities, and
- Growing our networks, reputation and referral pathways.

Our values

The Queensland Public Service values aim to articulate the Queensland Government's vision of a high performing, impartial and productive workforce that puts the people of Queensland first. These values have been adopted by agencies across the public service.

We have adapted these values to continue to help us build on our unique participant-centred, high-performing and innovative culture, guiding employees in their daily work in making lives better.

Participants first

- Understand each NISQ participant and their personal circumstances
- Deliver safe, effective, participant-centred services
- Dignity and respect are paramount

Ideas into action

- Foster a culture of continuous improvement
- Collaborate with the right people to produce the best results
- Challenge the norm — commit to innovate

Unleash potential

- Pursue and maintain excellence
- Lead by example
- Engage with participants and stakeholders in service design and delivery

Be courageous

- Own individual and team performance outcomes
- Be empowered to disclose safety or quality concerns
- Make decisions that are clear and appropriate

Empower people

- Contribute to a safe and positive culture
- Acknowledge team members' strengths and contributions
- Provide learning and knowledge sharing opportunities for team members

To support the Queensland Government's Unite and Recover - Queensland's Economic Recovery Plan, we contribute to the following Government objectives for the community:

Safeguarding our health

Safeguard people's health and jobs by keeping Queensland pandemic-ready.

The COVID-19 pandemic has presented some unique challenges in how we are able to respond and deliver services and support to participants.

Continuity of safe treatment, care and support, in line with Queensland and Australian Government health directives, remains at the forefront. We work with participants, their families and support networks to ensure continuity of treatment, care and support can occur even in lockdown scenarios or other circumstances related to the pandemic. This helps us to address any concerns through planning and preparing for suitable alternative service delivery options.

Backing our frontline services

Deliver world-class frontline services in key areas such as health, education, and community safety.

Our combined professional expertise, extensive network and experience with unique service delivery places NIISQ Agency as a centre for excellence for serious personal injuries.

Governance changes

As a result of amendments to the NIISQ Act consequential to commencement of the *Queensland Future Fund (Titles Registry) Act 2021*, the governance structure of the NIISQ Agency changed on 2 June 2021. These changes included:

- Dissolving the NIISQ Board
- Removing the existing Chief Executive Officer, and
- Appointing the Insurance Commissioner as the Chief Executive Officer.

While these changes signify a new governance structure for NIISQ, our dedication to participants and commitment to our strategic objectives remain our top priority.



People

Our people are committed to delivering the NIISQ Agency's vision of making lives better. We provide a safe and respectful workplace that encourages innovation and collaboration across all facets of our work.

Our values

Our values are the foundation for how we work (see page 11). All employees are expected to maintain the highest ethical standards and conduct themselves in a way that reflects our values, policies and statutory obligations.

Code of conduct

We are meeting our obligations under the *Public Sector Ethics Act 1994*.

While we operate in accordance with the wider Queensland Government's policies, we also have an established NIISQ Agency Code of Conduct (the Code) which underpins how we operate as an Agency. Each staff member is introduced to the Code as part of their initial introduction to the NIISQ team, and it is readily available to all staff to read whenever required.

The Code highlights our commitment to ethical practices and reaffirms our rights as employees of the Queensland Government.

Industrial and employee relations

In 2020-21, the NIISQ Agency was formally included in the State Government Entities Certified Agreement 2019 (Core Agreement). The NIISQ Agency, through the NIISQ Agency Consultative Committee, provided all staff with detailed consultation opportunities throughout the process of becoming a party to the Core Agreement.

The NIISQ Agency Consultative Committee provides a forum for engagement with the Together Union, with regular meetings held about organisational change, policies and other employment matters.

In March 2021 we also introduced a new policy relating to the 'prevention of and response to workplace bullying and harassment' following consultation activities.

No formal employee grievances were lodged throughout the 2020-21 period.

Committed to excellence

Recruitment

While 2020-21 was a year that endured constant changes as a result of the COVID-19 pandemic, we continued to attract and recruit highly skilled and positive people to join the NIISQ team. This aligns to our target of ensuring the NIISQ Agency remains an employer of choice and will continue to shape our workforce moving forward.

Onboarding

Ensuring a smooth and welcoming introduction to NIISQ for each new staff member is a critical component of the NIISQ Agency's onboarding process.

The induction pack welcomes new employees, sharing important and relevant information about the NIISQ Agency to enable a comfortable transition into their new role and their ongoing success.

In 2020-21, an additional component was added to provide staff with direct access to the learning and development hub on the NIISQ Agency's intranet site. This provides quick and easy access to important training tools which staff should undertake within the first few weeks of commencing their new role.

Onboarding continues to be an evolving process, and regular feedback is sought from new staff members around ways to improve or update the content.

Professional development

Professional development and training opportunities offered during 2020-21 continuously developed our highly skilled people across a range of fields. Regular employee and supervisor feedback discussions, as well as peer case review processes, were also maintained.

Personal learning and development through the Study and Research Assistance Scheme (SARAS) and other training course attendance relevant to individual team member roles is encouraged.

During the 2020-21 period, staff received training on a range of areas, such as:

- Work Health and Safety (WHS) compliance training, including:
 - Bullying and harassment
 - Disability awareness: inclusion is everyone's ability
- Right to Information and Information Privacy
- BioSpine Research presented by Dr Dinesh Palipana and Dr Claudio Pizzolato
- Introduction to the *Queensland Human Rights Act 2019* and *Anti-Discrimination Act 1991*
- Capability development on topics including:
 - Trauma informed practice training
 - Managing and coordinating individual support for people with intellectual disabilities, and
 - Functional independence measure (FIM).

Executive Leadership Team

Our Executive Leadership Team (ELT)* drives the delivery of our *Strategic Plan 2020-2024* (see page 78) and leads the operations of the NISQ Agency. Supported by the Senior Leadership Team, the ELT has decision-making authority, engages collaboratively and delegates responsibilities for action within their teams.

Neil Singleton

Chief Executive Officer

B Business (Insurance), MBA

Neil was appointed as Chief Executive Officer of the NISQ Agency in June 2021 and holds the roles of Insurance Commissioner and Nominal Defendant. He has over 30 years of insurance experience across a broad range of management and executive positions.

Neil's responsibilities include providing strong strategic leadership to ensure viable, affordable and equitable CTP insurance and lifetime care schemes in Queensland.

Bronwyn Jenner

Head of Participant Care

*BOccThy, GradDip OHS,
Grad Dip Bus Admin*

Bronwyn trained as an occupational therapist and has extensive experience in serious personal injury case management, including leadership and stakeholder management in personal injury insurance across the public and private sectors.

Bronwyn is responsible for the delivery of high-quality services for NISQ participants and has a strong focus on a participant-centred approach to support planning and access to services.

Chris Turnbull

Head of Corporate Services

B Com, FIML

Chris has wide experience in the provision of services within both the public and private sectors, with time spent in a range of organisations including Queensland Treasury and the Office of Gaming Regulation.

Chris has also played leadership roles in the provision of shared corporate services within the public sector.

Chris is responsible for the delivery of high-quality corporate services for the NISQ Agency.

Carl Richards

General Counsel

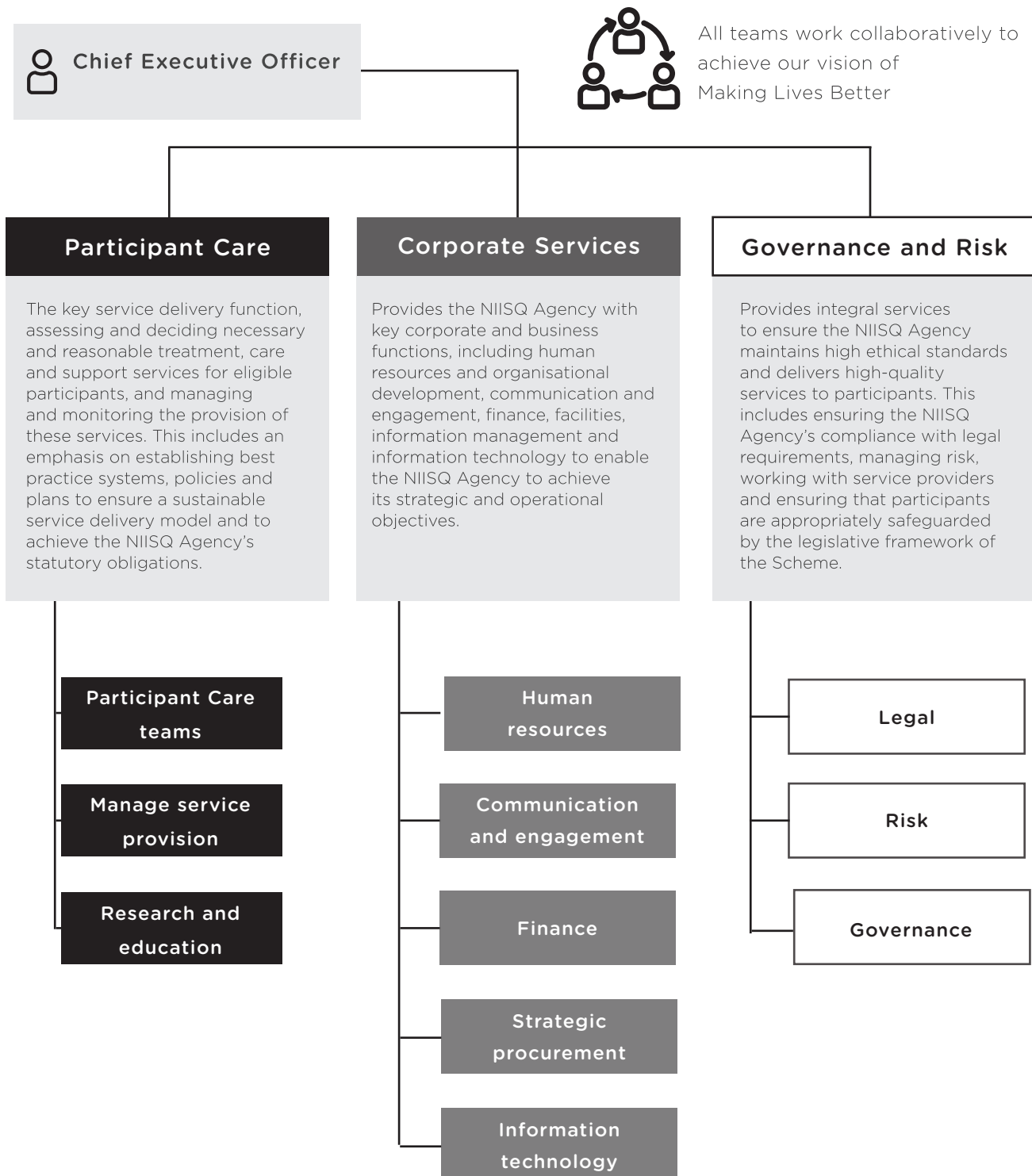
LLB, MAICD

Carl is an internationally qualified and experienced lawyer and senior manager. He has worked for a range of private industries and public sector organisations, including the New Zealand Accident Compensation Corporation. He has extensive experience as a leader of in-house legal teams, as a company secretary, and in the fields of governance, compliance, risk management and crisis management.

Carl is responsible for managing the NISQ Agency's legal function, and is also the Risk Officer, responsible for coordinating the assessment and mitigation of risk.

*ELT current as at 30 June 2021.

Our organisational structure



Workforce profile

In 2020-21, the NIISQ Agency welcomed new employees and farewelled employees, with a separation rate of 3.61 per cent.

The number of employees as at 30 June 2021, including both full-time and part-time employees measured on a full-time equivalent basis, is 55.4.

During the period, one employee received a redundancy package at a total cost of \$104,466.08.

No early retirement/retrenchment packages were paid during 2020-21.

Our commitment to work/life balance

The changes affecting workers as a result of the COVID-19 pandemic continued to have a flow-on effect this year.

Given the often unexpected or uncertain working conditions resulting from mandated lockdown periods to ensure community health and safety, we have continued to evolve and adapt our flexible working style – ensuring the wellbeing and safety of our staff remains our priority.

We continue to align with the evolving evidence-based approach of flexible working, as promoted by the Public Service Commission. This allows us to provide staff with a choice when it comes to their working options. This flexibility has proven popular with many staff members who have instigated formal work-from-home agreements with their managers that align to business needs while supporting a healthy lifestyle balance.

With a strong and continued emphasis on our people and their families' well-being, all staff have access to regular leave and hybrid working arrangements, including:

- Ongoing flexible work arrangements, such as flex-time and time off in lieu
- Part-time work arrangements
- Working from home on an ongoing, regular basis, and
- Telecommuting options for staff who live in other parts of Queensland, and in other states.

Flexible work arrangements are open to all employees, regardless of their position title or level.

Planning for the future

As a result of the governance changes which impacted NIISQ on 2 June 2021, our future direction has been refreshed and reinvigorated. Changes in our organisation and reporting structures have allowed us to refocus on our purpose to empower participants to live their best lives.

In 2021-22, we will complete an organisational design review of the NIISQ Agency, identifying opportunities for growth and efficiency that showcases and celebrates the diverse skillsets and expertise of our staff.

Capability framework

Leadership capability and engagement

Through regular capability training and discussions for our leadership team, leaders are encouraged to share their learnings with team members to support business improvement.

This includes the establishment of fortnightly leadership meetings, and activities and discussions aimed at providing timely and relevant information to further enhance the capability and development of each of the NIISQ Agency's leaders.

Increasing capability through our work

We embrace the 70/20/10 strategic workplace learning model to develop high performing employees for the NIISQ context, incorporating 70 per cent on-the-job learning from the diverse and high-quality expertise of team members, 20 per cent from interactions with others, and 10 per cent from formal educational events.

Our knowledge management practices have been improved to capture, share and grow our thinking to build our capability and agility to deliver the highest quality services to NIISQ participants, with a focus on empowerment and facilitating their independence. This includes Participant Care subject matter experts highlighting and sharing experiences with the broader team.

Measuring our employee engagement

We measure our employee perceptions of their work, colleagues, manager and the NIISQ Agency through annual Employee Opinion Surveys, typically conducted in the first quarter of each financial year.

Health, safety, and wellbeing

Employee wellbeing

We recognise that our people work within a challenging environment, so their work health, safety and well-being continues to be an important focus for the leadership team.

Regular work health and safety due diligence reporting has ensured we are monitoring the physical, social and psychological needs of our staff and that risks are addressed as quickly and efficiently as possible.

We have an active Work Health and Safety Consultative Committee which is aligned to the Queensland Government's Be healthy, be safe, be well framework. The committee ensures all staff are aware of important well-being initiatives, including Employee Assistance Provider arrangements, free-of-charge influenza vaccinations, building emergency evacuation procedures and access to First Aid.

We encourage best practice ergonomics and for team members to limit how much time they spend sitting at a desk to further improve health and fitness.

Vicarious trauma management strategy

Our Vicarious trauma management strategy remains instrumental in fulfilling our duty of care to our people. We provide regular, professional external debriefing with a clinical psychologist for our support planners whose daily work involves working closely with people who have experienced trauma. Debriefing sessions were extended further to staff as they faced unique challenges associated with the COVID-19 pandemic and other work-related stressors.

The Vicarious trauma management strategy will be reviewed and refreshed in 2021-22.

Diversity and inclusion

Our leaders are role models and are active supporters of inclusion and diversity in the workplace, regularly acknowledging external awareness events such as NAIDOC Week and R U Ok? Day. They also work extensively with external, related agencies and stakeholders to ensure our organisation remains at the forefront of industry trends and changes.

The NIISQ Agency Social Club contributes to workplace culture by strengthening social connections at work and increasing employee engagement.



Performance

Our performance for 2020-21 is measured against each objective within our *Strategic Plan 2020-2024* (see Appendix 1, page 78).

These objectives include:

- Provide necessary and reasonable treatment, care and support for participants
- Partner with service providers and other stakeholders to facilitate better outcomes for participants and their families
- Optimise team capability, innovation, culture and performance to be a centre of excellence, and
- Ensure sustainable fund management and administration to support Agency objectives.

Key initiatives

The NIISSQ Agency delivered its strategic objectives through a number of key initiatives. This has been summarised in the Report Card on page 21.

Future focus 2021-22

As we review and refresh our focus in line with our organisational and governance changes, we will work to undertake initiatives in 2021-22 that will further reinvigorate our team and optimise performance.

These initiatives will better enable us to:

- Implement robust, consistent and transparent support planning processes
- Ensure high-quality services are matched to participant needs
- Focus on participant goals and better health outcomes
- Further enhance quality and safeguarding with service providers
- Undertake regular stakeholder forums and develop feedback mechanisms
- Establish a research and innovative practice regime
- Empower team members through increased engagement
- Enhance individual and team capability development opportunities
- Instigate positive people and culture initiatives
- Manage Scheme and Agency costs
- Continue to monitor investment performance, and
- Improve our effective risk management and control systems.

Report card

Key initiative	Target	Progress update	Outcome/status
Strategic objective 1: Provide necessary and reasonable treatment, care and support to participants			
Embed, monitor and review the 'Decision Making Framework – Treatment, Care and Support' to provide a more consistent basis from which each service and payment request is reviewed.	High level satisfaction by participants that service matches expected standards of quality, aligned with participant needs (as measured by compliments, complaints, and feedback mechanisms quarterly).	Approximately 66% of all compliments received between 1 July 2020 and 30 June 2021 were from participants and their families.	Achieved
Strategic objective 2: Partner with service providers and other stakeholders to facilitate better outcomes for participants and their families			
Monitor, measure and review the registered provider process.	Attraction and retention of high-quality service providers who align with the NIIAQ Agency's vision, purpose and guiding principles to fully meet service demand, to be measured at the completion of the Registered Provider Renewal Process and at 30 June 2021.	The registered provider list continues to grow, with further work required in monitoring, measuring and categorising the supplier base. This will enable better data collection and targeted activities to further ensure the supplier base meets NIIAQ's standards and future demand. A complaints management framework is also being developed in 2021/22 to record participant and service provider feedback.	50%
	Increase in response and positive satisfaction with NIIAQ in the 2020/21 service provider and stakeholder survey, as compared to the 2019/20 results.	A refreshed Service Provider Opinion Survey will now be developed in the 2021-22 year.	Rescoped for 2021-22
Strategic objective 3: Optimise team capability, innovation, culture and performance to be a centre of excellence			
Participate in seminars, conferences and trade shows to keep abreast of new evidence-based treatment, care and support options.	Participation at key industry events as a credible peer, and sharing of learnings with relevant team members, to be measured quarterly.	While attendance at industry events continued to be impacted by COVID-19-associated postponements, the NIIAQ Agency provided a trade booth at the Rural Doctors Association of Queensland (RDAQ) conference. A joint abstract submitted by Participant Care, in partnership with WorkCover Queensland, was accepted for the 2021 Personal Injury and Disability Management Annual Conference.	Achieved/ongoing
Strategic objective 4: Ensure sustainable fund management and administration to support Agency objectives			
Finalisation of the Investment Management Agreement between the NIIAQ Agency and State Investment Advisory Board (SIAB), including refreshed investment objectives.	All parties satisfied with the agreement and the agreement is signed. Revised investment objectives agreed.	The Investment Management Agreement was signed on 20 April 2021. Queensland Investment Corporation (QIC) and SIAB were established as fund managers to set investment objectives and manage the investment of the NIIAQ Fund.	Achieved

Research and education

In 2020-21, our focus and commitment to research and education initiatives continued to evolve.

We adopted a participant-centred, needs-driven, outcome-focused and collaborative approach to improve health outcomes for participants, and to maximise impacts for the NIIAQ Agency and Scheme. We focused on translational research and education projects that will have real benefits to participants and the Scheme.

Current projects funded by the NIIAQ Agency include:

- **Funding of physiotherapy clinical practice guidelines for people with spinal cord injury**

We partnered with Metro South Health to fund the Queensland component of a research project that will help physiotherapists provide consistent high-quality management for people with spinal cord injuries (SCI).

The project, *Physiotherapy Clinical Practice Guidelines for People with Spinal Cord Injury (Queensland component)*, is part of a wider initiative that will provide Queensland clinical experts with the opportunity to shape physiotherapy guidelines for Queenslanders with SCI and translate into practice across the state.

The project aims to improve the care of people with SCI by introducing evidence-based physiotherapy clinical practice guidelines and a companion resource for people with SCI that will be applicable state-wide.

The NIIAQ Agency contributed \$75,325 to the project, which is expected to be completed by March 2023.

- **Capacity building for providers of cognitive rehabilitation**

Partnering with the University of Queensland, this project aims to identify cognitive rehabilitation capacity-building needs for providers in Queensland who work with NIIAQ participants, and to use this information to develop and evaluate a cognitive rehabilitation capacity-building program.

We consider the project will produce real benefits for NIIAQ participants and the Scheme including:

- Building provider capability and capacity across Queensland in cognitive rehabilitation for people with traumatic brain injury
- Facilitation of evidence-based intervention, improved health outcomes and achievement of functional and participation goals for NIIAQ participants, and
- Providing an opportunity to provide pilot data and lay the groundwork for a scaled-up provider capacity-building program.

The NIIAQ Agency contributed \$80,508 to the project, which is expected to be completed by May 2022.



Governance

Our governance framework

We are committed to good governance. Our governance framework continues to evolve as it supports our strategic direction and provides a strong basis to ensure our statutory responsibilities are met. Risk management is integrated into our organisational activities, and ensures corporate governance is continuously assessed and enhanced.

Queensland Future Fund (Titles Registry) Act 2021

On 2 June 2021, the Governor-in-Council assented to the *Queensland Future Fund (Titles Registry) Act 2021*, which amended the NIISQ Act. As a result of these amendments, the NIISQ Board and its committees were dissolved, and the existing Chief Executive Officer was removed from their role. The Insurance Commissioner was appointed Chief Executive Officer.

While the remaining NIISQ Agency structure has remained largely unchanged as a result of the *Queensland Future Fund (Titles Registry) Act 2021*, our ongoing work ensures a continued focus on meeting all statutory requirements of both the Scheme and the NIISQ Agency, as well as providing a refreshed approach to the strategic direction of the Scheme.

The final NIISQ Board meeting took place on 20 May 2021 and was used to facilitate a smooth transition between governance arrangements. The following information represents the period of 1 July 2020 - 2 June 2021 under the governance structure of the NIISQ Board.

Role of the Board

The NIISQ Board was the governing body of the NIISQ Agency until 2 June 2021, when it was dissolved under amendments to the NIISQ Act made by the *Queensland Future Fund (Titles Registry) Act 2021*. Prior to this, its establishment, membership and functions were set out in the NIISQ Act.

During its tenure, the Board set the strategic direction of the NIISQ Agency, ensuring functions were performed efficiently and in accordance with the NIISQ Act. The Board also set investment objectives for the NIISQ Fund and established investment strategies and policies to achieve those objectives. In accordance with the NIISQ Act, the Board assigned these functions to the State Investment Advisory Board (SIAB).

The Board was comprised of seven independent members, including the Chairperson, whose appointments were made in accordance with the NIISQ Act.

The NIISQ Board

Until 2 June 2021, the NIISQ Board was comprised of seven independent members.

These members included:

- Ms Julie-Anne Schafer, *Chairperson*
- Mr Michael Willis, *Deputy Chairperson*
- Ms Lesley Anderson
- Dr Scott Davis
- Ms Michelle Morton
- Mr Rowan Ward
- Dr Susan Young

Disclosure of interests

At each meeting, the Board was required to declare and manage any conflicts of interest between their duties and their personal interests.

The NIISQ Act set out the obligation of Board members to declare if there was any direct or indirect financial or personal interest in an issue being considered, or about to be considered, by the Board and any interests that could conflict with the proper performance of the Board member's duties when considering an issue. Unless the Board determined otherwise, a conflicted Board member could not be present when the Board considered the issue and could not take part in any decisions relating to the issue.

Performance and remuneration

Board members' remuneration was determined by the Governor-in-Council (details disclosed in the financial statements, page 69).

Our Board committees

During its tenure, the Board established two committees, each with its own charter, to assist in overseeing and governing our activities. A summary of committee membership and meeting attendance is set out in the table on page 26.

AUDIT AND RISK COMMITTEE

Per the Audit and Risk Committee's (ARC) Charter, the ARC provided recommendations and assistance to the Board on:

- The effective and reliable operation of all financial and non-financial internal controls and oversight of the framework for risk management of the NIISQ Agency
- The Board's interaction with the NIISQ Agency's external auditor, and
- The effectiveness of the NIISQ Agency's performance management and performance information.

The ARC was required to have at least four, but not more than six members, one of whom was independent of the Board. The independent member was appointed by the Board after consultation with the Under Treasurer. The ARC was also required to meet at least four times per year. The ARC met four times in 2020-21.

As a consequence of the governance changes in the NIISQ Agency, the ARC is being reconstituted in 2021-22.

QUALITY AND INNOVATION BOARD COMMITTEE

The Quality and Innovation Board Committee (QIBC) was a separate Board committee that was established to oversee the development and implementation of an effective governance framework. The QIBC helped ensure legislative and regulatory compliance and performed its role efficiently across the areas of services, research and innovation.

The responsibilities of the QIBC included:

- Development and ongoing review of an effective services governance framework, Research and Education Strategy and Innovation Strategy
- Monitoring and collecting statistics on research and educational activities and program funding, and
- Reporting to the Board and providing guidance in relation to activities within the QIBC's scope of responsibility.

The QIBC was required to have at least three, but not more than five members appointed by the Board. All members were required to be Board members, with the exception of one independent non-Board member appointed in an advisory capacity. The QIBC was required to meet at least four times per year and met three times in 2020-21 as the Committee was dissolved before the fourth meeting took place.

MEETING ATTENDANCE 2020-21

Board member	Board*	Audit and Risk Committee	Quality and Innovation Board Committee
Meetings held			
Julie-Anne Schafer #	9	4	3
Michael Willis	8	4	1
Lesley Anderson	9	4	-
Scott Davis	8	-	3
Michelle Morton	9	-	3
Rowan Ward	9	4	-
Susan Young	8	1	3
Geoff Waite ^	-	2	-
Will Ryan ^	-	2	-
Phillip Morris •	-	-	1

* The Board held eight ordinary meetings and one Board education session in 2020-21.

The Chairperson of the Board was able to attend the QIBC and ARC meetings as an invitee.

^ Independent Member of the Audit and Risk Committee. Geoff Waite attended in 2020 and was replaced by Will Ryan in 2021.

• Independent Member of the Quality and Innovation Board Committee. Phillip Morris was appointed in January 2021 and attended one meeting before the Board and the QIBC were dissolved as a consequence of amendments to the NIISQ Act.

Other governance frameworks

Our strong commitment to human rights

Queensland's *Human Rights Act 2019* (HR Act), which commenced on 1 January 2020, respects, protects and promotes the inherent dignity and worth of all human beings, especially the most vulnerable in our community.

The HR Act requires us to consider human rights in our decision-making, actions and interactions with the community. We are proud that we intrinsically operate in this way to deliver lifetime treatment, care and support to our participants.

While our core values are strongly aligned with the HR Act, we have taken the following steps to embed the principles of the HR Act:

- We embedded the HR Act in our *Strategic Plan 2020-2024* (see Appendix 1, page 78). This includes strategies to ensure transparent decision-making processes are matched to participant individual circumstances and a clear mandate that we will respect, protect and promote human rights in our decision-making and actions
- The HR Act was incorporated within our *Operational Plan 2020-21*. We will continue to review policies, programs, procedures, practices and service delivery to ensure that decisions and actions support participant health and safety and are compatible with their human rights
- We continue to conduct internal awareness raising about the HR Act to NIISQ Agency employees
- All NIISQ Agency employees have the opportunity to complete the Human Rights – Introduction online training from the Queensland Human Rights Commission. This is also part of our induction training for new employees
- We provide information on our website about how human rights complaints may be raised and how these complaints will be managed by the NIISQ Agency. We have also outlined the avenue for having the NIISQ Agency's responses to complaints reviewed by the Queensland Human Rights Commission, and
- We incorporate our commitment to human rights in our role descriptions.

During the period, we did not receive any complaints relating to human rights.

Funding NIISQ

We work with the state government and independent actuaries to help ensure the financial sustainability of the NIISQ Fund to meet the cost of necessary and reasonable participant treatment, care and support now and throughout their lifetimes, as well as NIISQ Agency operational expenses.

Established under the NIISQ Act, the NIISQ Fund includes amounts received through the collection of a levy (see page 49) on motor vehicles registered in Queensland, amounts recovered in connection with the Scheme and income derived from investments.

The levy varies for each vehicle class. Under the NIISQ Act, the NIISQ Board was required to provide an annual recommendation to the Insurance Commissioner about the amount to be recovered from motorists to fully cover the future liability of the Scheme. Following this recommendation, the Insurance Commissioner, in accordance with the *Motor Accident Insurance Act 1994*, recommended to the Queensland Government the value of the levy for each vehicle class for the following financial year. The levy recommendation is informed by independent actuarial advice and assessed over time to ensure financial sustainability.

Risk management

As part of our ongoing management and reporting processes, the leadership team identifies, monitors and mitigates risks that may affect our ability to achieve our strategic objectives. Risks and corresponding mitigation plans are recorded in the NIISQ Agency's risk register. Risk mitigation plans are implemented continually, and the risk register is reviewed quarterly. During its tenure, the Board identified any emerging risks as part of its standing agenda and conducted regular reviews of key strategic risks.

As an integral component of risk assessment, we are committed to business continuity management. This ensures continuity of key business services which are essential for, or contribute to, the achievement of our objectives.

Compulsory Third Party Civil Damages

A fundamental feature of NIISQ is that most lifetime participants with a Compulsory Third Party (CTP) civil claim have the option to access their lifetime treatment, care and support needs as lump sum damages via their CTP claim and exit the Scheme. Alternatively, these participants may elect to continue to receive lifetime treatment, care and support from the NIISQ Agency.

When the NIISQ Agency engages with the CTP civil process, we do so in a fair and objective manner in accordance with our role to administer the NIISQ. Where it is necessary to become involved in litigation, the NIISQ Agency acts as a “model litigant”. Whether a participant’s treatment, care and support needs are provided within the Scheme or delivered as a civil lump sum, the NIISQ Agency remains focused on assessing and meeting the participant’s needs, within the scope of the Scheme.

Participant safeguarding

The NIISQ Agency is responsible for ensuring that service providers who deliver treatment, care and support to participants are appropriate to do so.

The matters that we consider include whether the:

- Provider and their staff are appropriately qualified
- Provider is appropriate, having regard to the participant’s location, age, culture and ethnicity
- Provider is acceptable to the participant, and
- Provider has or may have a conflict of interest.

Providers of certain kinds of service to NIISQ participants, including attendant care and support, are required to be registered. In order to be registered with the NIISQ Agency, providers are required to meet high standards in term of participant safeguarding, including a requirement to be accredited under an industry-recognised Quality and Safeguarding Framework, such as the:

- NDIS Quality and Safeguarding Framework
- Human Services Quality Framework (HSQF), or
- Australian Community Industry Standards (ACIS).

Internal and external accountability

The NIISQ Agency's governance framework includes both internal and external accountability measures.

Through the ARC, the Board engaged PricewaterhouseCoopers (PwC) to provide independent and objective internal audit services to the NIISQ Agency. The internal audit function operates under a charter consistent with relevant audit and ethical standards and has due regard to Queensland Treasury's *Audit Committee Guidelines – Improving Accountability and Performance*.

In the 2020-21 period, the NIISQ Agency's Audit Plan consisted of the following reviews:

- Accounts payable
- Procurement
- Information and record management
- Fraud and detection control, and
- Identity access management.

The NIISQ Agency is audited externally by the Queensland Audit Office in accordance with the *Financial Accountability Act 2009*.

Information systems and recordkeeping

Since the commencement of the NIISQ Agency, we have advocated the benefits of electronic record keeping and continue to utilise a 'paperless office' approach wherever possible by adapting to the Queensland Government's Digital1st initiative.

In 2020-21, we appointed an Information Management Officer to review and mature our recordkeeping framework to ensure it is correctly structured around the principles outlined by the Queensland Government Enterprise Architecture. The framework aligns our records management practices with Government objectives, current legislation and best practice record keeping standards which include the:

- *Public Records Act 2002*
- *Information Privacy Act 2009* and the *Right to Information Act 2009*
- *Queensland Government Records Governance Policy*
- *Queensland Government Information Security Classification Framework*, and
- *Queensland Government Information Security Policy (IS18:2018)*.

We have also adopted the Queensland Government Customer and Digital Group's *Authorised and unauthorised use of ICT services, facilities and devices guideline* and *Personal use of social media guideline*.

We have continued to improve CONNECT, the Agency's business tool, with a focus on enhanced metadata fields and privacy mitigations set as priorities for 2021-22.

Transparency

The NIISQ Agency continues to be committed to giving the community open and transparent access to information, as per our statutory obligations under the *Right to Information Act 2009* (RTI Act) and the *Information Privacy Act 2009* (IP Act). Our website contains various publications and pages detailing our services and business operations.

Applications for documents not containing an applicant's personal information are processed under the RTI Act, and requests for documents containing an applicant's personal information are processed under the IP Act.

Details on how to make a formal application requesting access to documents under the RTI Act or the IP Act are available on our website: niis.qld.gov.au.

We are required to publish details of the applications that the NIISQ Agency receives under the RTI Act on our disclosure log. Where possible, released documents are also published.

We engage an external consultant to deliver right to information and privacy training. This training is an ongoing requirement for all staff to complete, and forms part of the induction process for new employees.

Other disclosures

We support the Queensland Government Open Data Initiative. Open Data sets, including Scheme statistics and required disclosures for travel and consultancies, are available at the Queensland Government's Open Data website: data.qld.gov.au.



NATIONAL INJURY INSURANCE AGENCY, QUEENSLAND

Scheme statistics

FOR THE YEAR ENDED 30 JUNE 2021

NIISQ statistics

Participants by status and injury

(Current/active participants as at 30 June 2021)

Injury	Interim		Lifetime		Total	
	Cases	%	Cases	%	Cases	%
Traumatic brain injury	166	77.2%	116	76.0%	282	76.6%
Permanent spinal cord injury	38	17.7%	30	20.0%	68	18.5%
Multiple or high-level limb amputation	4	1.9%	5	3.0%	9	2.4%
Permanent injury to the brachial plexus	5	2.3%	2	1.0%	7	1.9%
Severe burns	1	0.5%	0	0.0%	1	0.3%
Permanent blindness caused by trauma	1	0.5%	0	0.0%	1	0.3%
Total	215	100%	153	100%	368	100%

Note: Eligible injury type. Participants may sustain multiple injury types.

Trend data

Injury	2017		2018		2019		2020		2021	
	Number	%	Number	%	Number	%	Number	%	Number	%
Traumatic brain injury	46	73.0%	102	73.4%	146	78.5%	206	77.4%	282	76.6%
Permanent spinal cord injury	15	23.8%	31	22.3%	34	18.3%	50	18.8%	68	18.5%
Multiple or high-level limb amputation	1	1.6%	3	2.2%	4	2.2%	7	2.6%	9	2.4%
Permanent injury to the brachial plexus	1	1.6%	3	2.2%	2	1.1%	3	1.1%	7	1.9%
Severe burns	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	0.3%
Permanent blindness caused by trauma	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	0.3%
Total	63	100%	139	100%	186	100%	266	100%	368	100%

Note: Eligible injury type. Participants may sustain multiple injury types.

Participants by gender and age range

(Current/active participants as at 30 June 2021)

Age grouping	Female		Male		Total	
	Number	%	Number	%	Number	%
Age range 1-15 years	10	10.2%	27	10.0%	37	10.1%
Age range 16-30 years	40	40.8%	115	42.6%	155	42.1%
Age range 31-45 years	19	19.4%	53	19.6%	72	19.6%
Age range 46-60 years	16	16.3%	52	19.3%	68	18.5%
Age range 61-75 years	7	7.1%	20	7.4%	27	7.3%
Age range 75+ years	6	6.1%	3	1.1%	9	2.4%
Total	98	100%	270	100%	368	100%

Trend data

Injury	2017		2018		2019		2020		2021	
	Number	%	Number	%	Number	%	Number	%	Number	%
Age range 1-15 years	4	6.0%	11	7.9%	21	11.3%	29	10.9%	37	10.1%
Age range 16-30 years	25	40.0%	55	39.6%	69	37.1%	102	38.3%	155	42.1%
Age range 31-45 years	12	19.0%	26	18.7%	39	21.0%	50	18.8%	72	19.6%
Age range 46-60 years	14	22.0%	29	20.9%	35	18.8%	54	20.3%	68	18.5%
Age range 61-75 years	6	10.0%	15	10.8%	17	9.1%	22	8.3%	27	7.3%
Age range 75+ years	2	3.0%	3	2.2%	5	2.7%	9	3.4%	9	2.4%
Total	63	100%	139	100%	186	100%	266	100%	368	100%

Participant role in accident (as at 30 June 2021)

Injured role in incident	All accepted participants	
	Number	%
Driver	149	34.8%
Motorcycle rider	94	22.0%
Pedestrian	77	18.0%
Passenger	80	18.7%
Cyclist	15	3.5%
Other	13	3.0%
Total	428	100%

Participants by region (as at 30 June 2021)

Region	All accepted participants	
	Number	%
Brisbane	180	42.1%
Gold Coast	41	9.6%
Sunshine Coast	47	11.0%
Central Queensland	42	9.8%
Western Queensland	47	11.0%
North Queensland	48	11.2%
Interstate	19	4.4%
Overseas	4	0.9%
Total	428	100%

Accidents by region (as at 30 June 2021)

Region	All accepted participants	
	Cases	%
Brisbane	167	39.0%
Gold Coast	44	10.3%
Sunshine Coast	50	11.7%
Central Queensland	52	12.1%
Western Queensland	63	14.7%
North Queensland	52	12.1%
Total	428	100%

Services paid

(as at 30 June 2021)

Service	Payments made between 1 July 2020 to 30 June 2021	
	Total (\$)	%
TREATMENT AND REHABILITATION		
Accommodation and Travel	424,652	1.5%
Assessment and Review	1,237,775	4.5%
Vocational and Educational Support	162,656	0.6%
Participant Related Services	331,724	1.2%
Treatment and Rehabilitation	2,281,042	8.3%
ATTENDANT CARE		
Attendant Care and Support	16,131,208	58.5%
Other Care		0.0%
MODIFICATIONS		
Modifications	1,783,146	6.5%
EQUIPMENT		
Equipment	3,710,822	13.5%
HOSPITAL / MEDICAL SERVICES		
Hospital Services	695,740	2.5%
Medical Services	793,859	2.9%
Total	27,552,625	100%

Note: Payments exclude GST.



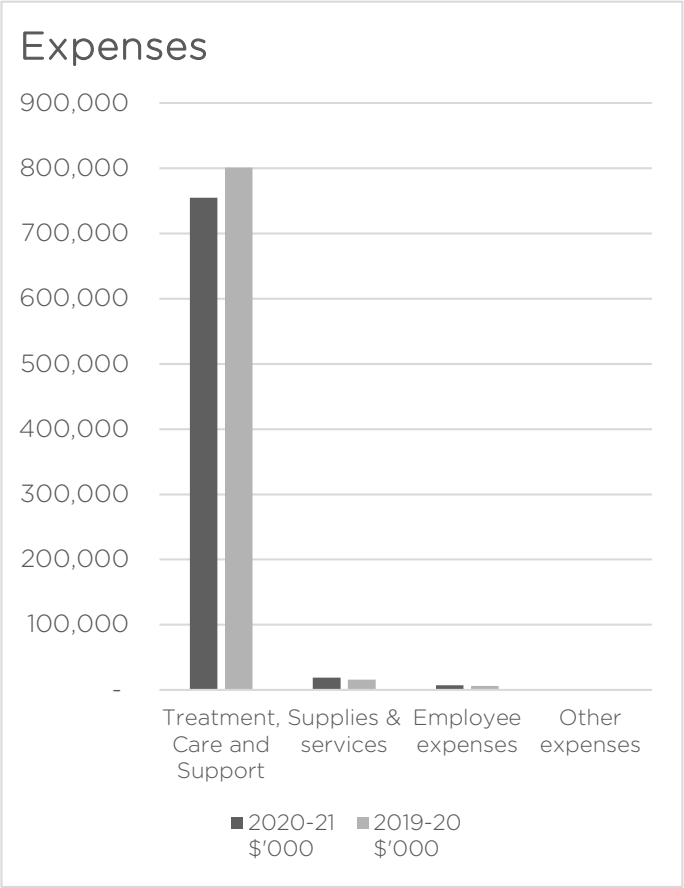
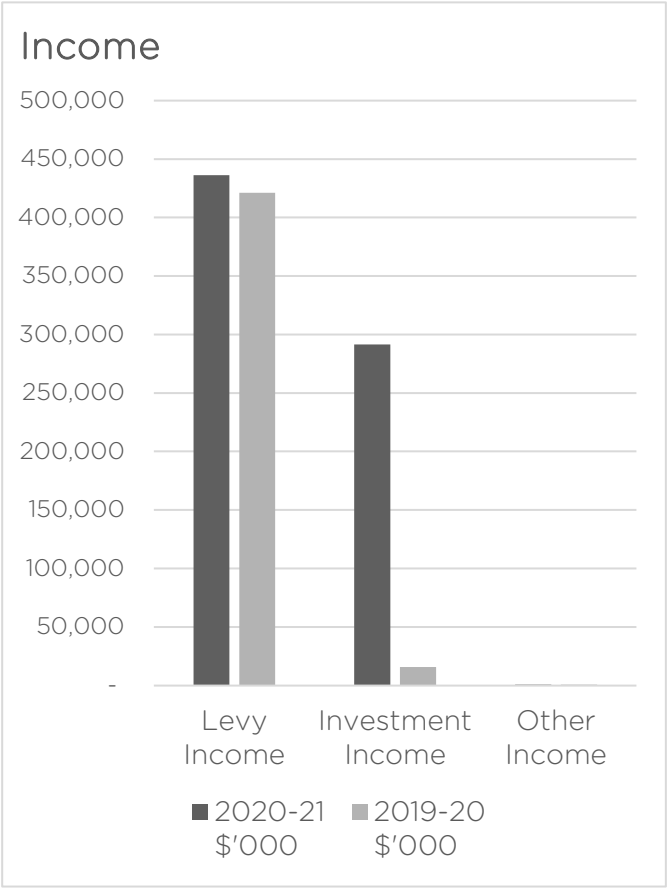
Financial

Summary of financial performance

The NIIAQ Agency recorded an operating deficit of (\$53.2) million for the year ended 30 June 2021, compared to the prior year's operating deficit of (\$385.8) million. The increase was primarily driven by an increase in returns on financial assets held with QIC of \$291.6 million versus the prior year's \$15.7 million, reflecting the performance and volatility of the equity markets during the year.

The NIIAQ Levy remained unchanged from 1 July 2020 at \$90.50 per Class 1 vehicle and generated income of \$436.2 million, 3% more than the prior year's \$421.2 million in line with an increase in the number of registered vehicles.

Total expenses decreased from \$823.3 million in 2019-20 to \$781.7 million in 2020-21. This is primarily the result of actuarially assessed liability provision movement for treatment, care and support being \$712.7 million, 7% less than the prior year's \$772.9 million.





NATIONAL INJURY INSURANCE AGENCY, QUEENSLAND

Financial statements

FOR THE YEAR ENDED 30 JUNE 2021

Table of contents

Financial Statements

Statement of Comprehensive Income	41
Statement of Financial Position	42
Statement of Changes in Equity	43
Statement of Cash Flows (including Notes to the Statement of Cash Flows)	44

Section 1: About the NISQ Agency and this Financial Report

1. Basis of Financial Statement Preparation	46
2. Objectives and Principal Activities of the NISQ Agency	49

Section 2: Notes about our Financial Performance

3. Levy	49
4. Investment Income	50
5. Employee Expenses	50
6. Supplies and Services	52
7. Treatment, Care and Support	53
8. Other Expenses	54

Section 3: Notes about our Financial Position

9. Receivables	54
10. Intangibles and Amortisation Expenses	55
11. Payables	56
12. Accrued Employee Benefits	57
13. Provisions	58
14. Equity	62

Section 4: Notes about Risks and Other Accounting Uncertainties

15. Fair Value Measurement	62
16. Financial Risk Disclosures	63
17. Contingencies and Commitments	66
18. Events Occurring after the reporting date	66
19. Future Impact of Accounting Standards Not Yet Effective	66

Section 5: Other Information

20. Key Management Personnel (KMP) Disclosures	67
21. Board Disclosures	69
22. Related Party Transactions	70
23. Agency Transactions	70
24. First year Application of New Accounting Standards or Change in Accounting Policy	70
25. Taxation	71
26. Climate Risk Disclosure	71
27. Impact of COVID-19	72

MANAGEMENT CERTIFICATE	73
-------------------------------------	-----------

INDEPENDENT AUDITOR'S REPORT	74
---	-----------

The National Injury Insurance Agency, Queensland

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Income			
Levy	3	436,234	421,273
Interest	4	45	78
Grants and Contributions		-	90
Other Revenue		636	397
Total Revenue		436,915	421,838
Net fair value gains on other financial assets	4	291,604	15,732
Total Income		728,519	437,570
Expenses			
Employee Expenses	5	7,323	6,098
Supplies and Services	6	18,987	15,609
Treatment, Care and Support	7	754,696	801,250
Grant Expenses		52	19
Depreciation and Amortisation		382	30
Impairment losses on non-financial assets		1	-
Other Expenses	8	334	373
Total Expenses		781,775	823,378
Operating Result For The Year		(53,256)	(385,808)
Total Other Comprehensive Income		-	-
Total Comprehensive (Loss)		(53,256)	(385,808)

The accompanying notes form part of these statements.

The National Injury Insurance Agency, Queensland

STATEMENT OF FINANCIAL POSITION

as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Current Assets			
Cash and cash equivalents		3,212	14,268
Receivables	9	8,650	5,702
Prepayments		150	69
Other financial assets	15 & 16	2,119,634	885,087
Total Current Assets		2,131,646	905,126
Non-Current Assets			
Property, plant and equipment		40	51
Intangible assets	10	5,380	2,929
Other financial assets	15 & 16	783,974	1,302,589
Total Non-Current Assets		789,394	1,305,569
Total Assets		2,921,040	2,210,695
Current Liabilities			
Payables	11	2,192	1,919
Accrued employee benefits	12	1,035	776
Provisions	13	108,156	49,631
Total Current Liabilities		111,383	52,326
Non-Current Liabilities			
Accrued employee benefits	12	754	454
Provisions	13	3,042,567	2,388,320
Total Non-Current Liabilities		3,043,321	2,388,774
Total Liabilities		3,154,703	2,441,101
Net (Liabilities)		(233,662)	(230,406)
Equity			
Accumulated (losses)		(883,662)	(830,406)
Contributed equity	14	650,000	600,000
Total Equity		(233,662)	(230,406)

The accompanying notes form part of these statements.

The National Injury Insurance Agency, Queensland

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2021

	Notes	Accumulated Deficit \$'000	Contributed Equity \$'000	TOTAL \$'000
Balance as at 1 July 2019		(444,598)	600,000	155,402
Operating result		(385,808)	-	(385,808)
<hr/>				
Balance as at 30 June 2020		(830,406)	600,000	(230,406)
<hr/>				
Balance as at 1 July 2020		(830,406)	600,000	(230,406)
Operating result		(53,256)	-	(53,256)
Transfer in from Other Queensland Government Entity	14		50,000	50,000
<hr/>				
Balance as at 30 June 2021		(883,662)	650,000	(233,662)
<hr/>				

The accompanying notes form part of these statements.

The National Injury Insurance Agency, Queensland

STATEMENT OF CASH FLOWS for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Levy		433,498	427,069
Interest		49	83
Other Revenue		636	397
Grants and other contributions		-	90
GST input tax credits from ATO		2,248	1,577
GST collected from customers		133	134
<i>Outflows:</i>			
Employee expenses		(6,764)	(5,553)
Supplies and services		(3,286)	(2,193)
Treatment, Care and Support		(41,925)	(28,285)
GST paid to suppliers		(2,478)	(1,806)
GST remitted to ATO		(119)	(119)
Impairment losses on non-financial assets		(1)	-
Grants and subsidies		(52)	(19)
Other Expenses		(334)	(373)
Net cash provided by operating activities	CF-1	381,606	391,003
Cash flows from investing activities			
<i>Outflow:</i>			
Payments for other financial assets		(374,329)	(365,300)
Payments for QIC management fee		(15,510)	(12,349)
Payments for intangible assets		(2,823)	(2,202)
Payments for property, plant and equipment		-	(54)
Net cash used in investing activities		(392,662)	(379,905)
Net increase/(decrease) in cash and cash equivalents		(11,056)	11,098
Cash and Cash Equivalents - opening balance		14,268	3,170
Cash and Cash Equivalents - closing balance		3,212	14,268

The National Injury Insurance Agency, Queensland

STATEMENT OF CASH FLOWS for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Operating (deficit)	(53,256)	(385,808)
<i>Non-Cash items included in operating result</i>		
Net fair value (gains) on other financial assets	(291,604)	(15,732)
QIC Management Fee	15,510	12,349
Depreciation and amortisation expense	382	-
Impairment losses	1	-
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(2,733)	5,801
(Increase)/decrease in GST input tax credits receivable	(216)	(214)
Increase/(decrease) in provisions	712,771	772,965
Increase/(decrease) in accounts payable	272	1,136
Increase/(decrease) in accrued employee benefits	559	545
(Increase)/decrease in Prepayments	(81)	-
Net cash provided by operating activities	381,606	391,003

Cash flows are included in the Statement of Cash Flows on a net basis with the GST components of the cash flows shown as separate line items. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

1. Basis of Financial Statement Preparation

(a) General Information

The National Injury Insurance Agency, Queensland (NIISQ Agency) is a statutory body established under the National Injury Insurance Scheme (Queensland) Act 2016 (the Act). The Act commenced on 1 July 2016 establishing the National Injury Insurance Scheme Queensland (NIISQ) and the National Injury Insurance Scheme Fund, Queensland (the fund).

The head office and principal place of business for the NIISQ Agency is:

60 Albert Street, Brisbane Qld 4000.

A description of the nature of the NIISQ Agency's operation and its principal activities are included in the notes to the financial statements.

(b) Compliance with Prescribed Requirements

NIISQ Agency is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows, which is prepared on a cash basis) in accordance with:

- section 39 of the Financial and Performance Management Standard 2019
- applicable Australian Accounting Standards and Interpretations
- Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2020.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note 24.

(c) Presentation

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2019-20 financial statements except where restatement was necessary to be consistent with disclosures in the current reporting period. There have been no material restatements made to the comparative amounts.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are expected to be settled within 12 months after the reporting date. All other assets and liabilities are classified as 'non-current'.

Other financial assets comprising of investments managed by Queensland Investment Corporation (QIC) are classified as 'current' or 'non-current' based on the relative liquidity of the investments.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

1. Basis of Financial Statement Preparation (cont)

Investments are classified as 'current' where they are readily convertible to cash on hand at NIISQ Agency's election. Investments that are long-term and not readily convertible to cash within a short period are classified as 'non-current'.

(d) Basis of Measurement

Historical cost is used as the measurement basis in this financial statement except for the following:

- Other financial assets which are shown at fair value (Note 15); and
- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value (Note 13).

(e) Implementation of the Shared Service Initiative

The Corporate Administration Agency (CAA) provides the NIISQ Agency with corporate services under the "Shared Services Provider" model. The fees and terms of the services are agreed through a Service Level Agreement, negotiated annually and include:

- Financial Services
- Information Systems and Support
- Human Resource Services

(f) Judgement and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis.

NIISQ Agency places a high reliance on actuarial estimates provided by independent actuaries in calculating the provision for participants' treatment, care and support as at 30 June. Refer to Note 13.

NIISQ Agency also rely on actuarial estimates provided by Queensland Government State Actuary's Office, in calculating the Long Service Leave Liability as at 30 June. Refer to Note 12.

A high degree of judgement is involved in the fair value measurement of other financial assets. Refer to Note 15.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

1. Basis of Financial Statement Preparation (cont)

(g) Going Concern

At 30 June 2021, the NIISQ Agency (a Statutory Body of the Queensland Government) has a negative net asset position of \$233.6M (2020: negative net asset position of \$230.4M) and incurred net operating losses of \$53.2M in 2021 (2020: net operating losses of \$385.8M).

NIISQ has considered the following points:

- For the year ended 30 June 2021, the NIISQ Agency has generated operating cash inflow of \$381.6M. The Agency has also projected a net cash inflow from operations in 2021-22 of \$427M with positive cash flows in further out years due to the nature of the funding mechanism.
- The NIISQ Agency's cash position at 30 June 2021 is \$2,122M with current liabilities of \$111M and a current ratio of 19.1. It is considered that this allows sufficient liquidity to continue to meet obligations as they fall due.
- In 2020-21, \$50M has been transferred from the Nominal Defendant Fund to the NIISQ fund with the approval from the Treasurer.
- The NIISQ Agency's levy revenue is expected to increase from \$436.2M in 2020-21 to \$503.8M in 2021-22 as a result of increase in NIISQ Levy from \$90.5 in 2020-21 to \$103.30 in 2021-22 for Class 1 registered vehicles.
- In April 2021, NIISQ funds have transitioned to NIISQ Strategic Asset Allocation (SAA) as advised by The State Investment Advisory Board for investments managed by the Queensland Investment Corporation. Investment returns in 2020-21 has been higher than expected, total assets are still significantly greater than current liabilities and it is not anticipated that this will impact the fund in the long term; and
- The Agency's net operating loss and negative asset position is largely due to the difference between the long-term levy assumptions adopted and the accounting assumptions adopted for inflation and discount rates. These are discussed in more detail in Note 3.

The Chief Executive Officer has therefore formed the view that the entity remains a going concern and the financial statements have been prepared on this basis.

(h) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chief Executive Officer at the date of signing the Management Certificate.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

2. Objectives and Principal Activities of the NIIAQ Agency

The NIIAQ Agency administers the NIIAQ by facilitating the assessment and access to necessary and reasonable treatment, care and support for participants for their lifetime.

Established under the Act, NIIAQ Agency commenced operations on 1 July 2016 as a statutory body. The NIIAQ Agency is responsible for the administration of the NIIAQ which includes developing and implementing processes, policies and guidelines. It assesses the eligibility of participants to enter the NIIAQ, determines their interim and lifetime status in the NIIAQ, coordinates and approves the payment of reasonable and necessary care and support services, and establishes and participates in dispute resolution processes within the provisions of the Act.

Section 232Z1 of the *Workers' Compensation and Rehabilitation Act 2003* and section 60 of the Act, establishes the agreement for engagement of NIIAQ Agency to administer claims on behalf of Self Insurers where they meet certain requirements. The agreement refers to the engagement of NIIAQ Agency to provide the eligible worker the treatment, care and support as prescribed in the Act.

The *Queensland Future Fund (Titles Registry) Act 2021* was assented on 2nd June 2021, resulted in changes to the governance arrangements of the NIIAQ Agency:

- The Board of the NIIAQ Agency being dissolved with the Agency now being governed by the Chief Executive Officer.
- A change in the Chief Executive Officer to the Insurance Commissioner

3. Levy

Levies are recognised at the time they are legally payable by the Department of Transport and Main Roads (DTMR) to the NIIAQ Agency under Section 27 of the *Motor Accident Insurance Act 1994*. This occurs at the time the levies are paid by motorists to DTMR.

The NIIAQ Agency levy is set annually in accordance with sections 97, 98 and 99 of the Act. A total pool amount representing calculations based on actuarial advice of the amount required to fully fund present and likely future liabilities, to meet other payments required to be made from the fund and to cover any other matters NIIAQ Agency considers appropriate.

In the 2020-21 levy setting process, NIIAQ Agency provides a copy of its calculations along with the recommendation of the Board to the Insurance Commissioner who makes a recommendation to the Treasurer regarding the setting of the levy. Upon approval by the Treasurer the amount is fixed by regulation.

Given the long term nature of scheme liabilities, estimates of costs are very sensitive to underlying financial assumptions. To support year to year levy stability, actuarial advice underpinning the annual levy adopts long-term assumptions for inflation and the discount rate (3.2% p.a. and 4.0% p.a. respectively for 2020-21). In contrast, the estimate of scheme liabilities as at 30 June 2021 adopts market consistent assumptions (2.9% p.a. and 2.7% p.a. see note 13).

The effect of a lower "gap" between the inflation rate and discount rate is, all other things equal, a higher liability value. To illustrate, if the gap at 30 June 2021 had been equivalent to that adopted in determining the 2020-21 levy, the estimated liability at 30 June 2021 would have been \$2,460M, \$690M less than the actual estimate of \$3,151M.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

4. Investment Income

	2021 \$'000	2020 \$'000
Interest	45	78
Net fair value gains on other financial assets	291,604	15,732
Total	291,649	15,810

Interest Revenue that arises in the course of ordinary activities of the NIIAQ Agency is recognised in accordance with AASB 101 paragraph 82 and using the effective interest method as set out in AASB 9.

NIIAQ Agency recognises other financial assets invested with QIC at fair value. Refer to Note 15.

5. Employee Expenses

	2021 \$'000	2020 \$'000
<i>Employee Benefits</i>		
Wages and Salaries	5,277	4,502
Employer superannuation contributions	716	595
Annual leave	532	518
Long service leave	215	204
Other employee benefits	167	-
<i>Employee Related Expenses</i>		
Payroll Tax	331	205
Fringe Benefit Tax	6	8
Workers' Compensation premium	30	26
Other employee related expenses	49	40
	7,323	6,098

The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information) is 55.40 (2020: 46.1).

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

5. Employee Expenses (cont)

Wages and Salaries

Wages and salaries are recognised as an expense when services are performed. Wages and salaries due but unpaid at reporting date are recognised at the current remuneration rates as NIISQ Agency expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Sick Leave

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. Sick leave is expensed in the reporting period in which the leave is taken by the employee.

Annual Leave

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values as the impact is not considered to be material. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement. Leave taken is expensed in the period at which it is payable.

Long Service Leave

Liabilities for long service leave are recognised on the same basis as those liabilities for accrued annual leave. Allowance for long service leave is made in accordance with the legal liability and has been calculated using the shorthand methodology in accordance with AASB 119 Employee Benefits.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans to the QSuper (or choice superannuation fund) or defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Workers' Compensation Premiums

The NIISQ Agency pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not considered an employee benefit and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note 20.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

6. Supplies and Services

	2021 \$'000	2020 \$'000
QIC Management fee	15,510	12,349
Queensland Treasury	108	104
Contractors and consultants	366	374
Professional services	502	553
Other supplies and services	1,669	1,621
Corporate Administration Agency	120	135
Building services	712	473
Total	18,987	15,609

An expense is recognised when it is incurred, usually as goods or services are received or consumed.

The Department of Energy and Public Works (DEPW) provides the department with access to office accommodation, employee housing and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because DEPW has substantive substitution rights over the assets.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

7. Treatment, Care and Support

	2021 \$'000	2020 \$'000
Modifications	1,783	1,068
Equipment	3,711	1,749
Hospital services	696	99
Attendant care	16,131	9,163
Treatment and rehabilitation	2,281	1,509
Medical services	794	278
Assessment and review	1,238	650
Accommodation and travel	425	446
Q Health Annual Grant/Fee	13,500	13,000
Legal Costs	709	90
Lump Sum	162	87
Participant related services	332	79
Vocational and educational support	163	67
	41,925	28,285
Movement in provision for Treatment, Care and Support (refer to Note 13)	712,771	772,965
Total	754,696	801,250

Treatment, Care and Support relate to the necessary and reasonable benefits provided to participants in line with the Act, from date of acceptance into the NIISQ. Expenses are recognised in the reporting period in which they are incurred, via a movement in the provision for Lifetime Treatment, Care and Support or when the treatment, care and support service has been provided.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

8. Other Expenses

	2021 \$'000	2020 \$'000
Queensland Audit Office - external audit fees	50	76
Insurance premiums (QGIF)	26	28
Board remuneration	258	269
	334	373

Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$50,000 (2020: \$76,020).

9. Receivables

	2021 \$'000	2020 \$'000
Trade debtors	620	326
Accrued levy income	7,115	4,767
GST receivable	230	229
GST Payable	(14)	(15)
Accrued interest income	4	5
Accrued other income	695	390
Total	8,650	5,702

Receivables are measured at amortised cost which approximates their fair value at 30 June. The collectability of receivables is assessed periodically and a loss allowance is recognised for expected credit losses based on reasonable and supportable forward-looking information. NIISQ Agency's receivables are from Queensland and Australian Government entities and Self Insurers. No loss allowance is recognised for these receivables as there is very low credit risk attached to these balances. Refer to Note 16 for NIISQ Agency's credit risk disclosures. Where NIISQ Agency has no reasonable expectation of recovering an amount owed by a debtor, the debt will be written off.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

10. Intangibles and Amortisation Expenses

Intangible asset – balances and reconciliations of carrying amount

	<i>Internally generated software</i>		<i>Internally generated software works in progress</i>		<i>Total</i>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Gross	5,458	2,292	320	664	5,778	2,956
Less: accumulated amortisation	(398)	(27)	-	-	(398)	(27)
Carrying amount at 30 June	5,060	2,265	320	664	5,380	2,929
<i>Represented by movements in carrying amount:</i>						
Carrying amount at 1 July	2,265	-	664	754	2,929	754
Acquisitions through internal development	-	-	2,822	2,202	2,822	2,202
Transfers between asset classes	3,166	2,292	(3,166)	(2,292)	-	-
Amortisation for period	(371)	(27)	-	-	(371)	(27)
Carrying amount at 30 June	5,060	2,265	320	664	5380	2,929

Recognition and Measurement

Intangible assets of NIIAQ Agency are comprised of internally developed software. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any training costs are expensed as incurred.

There is no active market for any of the agency's intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the internal development of computer software are capitalised and amortised under the amortisation policy below. No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

10. Intangibles and Amortisation Expenses (cont)

Amortisation Expense

Intangible assets of the agency have finite useful lives and are amortised on a straight line basis over their estimated useful life to the agency. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible's useful life. The residual value of all the agency's intangible assets is zero.

Useful Life

Key Estimate: For this class of intangible asset the following amortisation rates are used:

Intangible Asset	Useful Life
Software internally generated	7 Years

Impairment

Intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the agency determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the agency, including discontinuing the use of the software. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

11. Payables

	2021 \$'000	2020 \$'000
Payables to QIC	1,408	1,061
Other payables	784	858
	<hr/>	
Total	2,192	1,919
	<hr/>	

Creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

12. Accrued Employee Benefits

	2021 \$'000	2020 \$'000
<i>Current</i>		
Salaries and wages outstanding	200	149
Annual Leave	742	565
Long service leave	93	62
Total Current Accrued Employee Benefits	1,035	776
<i>Non-current</i>		
Long service leave	754	454
Total Non Current Accrued Employee Benefits	754	454

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the NIISQ Agency resulting from employees' services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within 12 months are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity.

Key estimates in determining the liability for employee entitlements includes future increases in wage and salary rates. Related on-costs have also been included in the liability.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

13. Provisions

Provision for Outstanding Lifetime Treatment, Care and Support Liability

Under the Act, NIIAQ Agency meets Participants' Lifetime Care and Support Services Expenses for people severely injured in motor accidents. Entitlement to these services commenced on 1 July 2016.

Provisions are recorded when the NIIAQ Agency has a present obligation, either legal or constructive as a result of a past event. The NIIAQ Agency's liabilities for Participants' Lifetime Treatment, Care and Support are valued by NIIAQ Agency's independent actuaries as at 30 June 2021 in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets. They are measured as the present value of the expected future Scheme costs related to participants injured before 30 June 2021, whether or not they have entered the Scheme by that date.

The amount of provision during the year is provided by independent actuaries and is adopted/endorsed by the Chief Executive Officer. It is valued at \$3,150.7M on 30 June 2021 (2020: \$2,437.9M).

The liabilities for Lifetime Treatment Care and Support are measured at the present value of the expected future payments. The present values after discounting are as follows:

	2021 \$'000	2020 \$'000
<i>Current</i>		
Provision for Treatment, Care and Support	108,156	49,631
Total Current Provisions	108,156	49,631
<i>Non-Current</i>		
Provision for Treatment, Care and Support 2-5 years	482,614	361,268
Provision for Treatment, Care and Support greater than 5 years	2,559,953	2,027,052
Total Non-Current Provisions	3,042,567	2,388,320
Total	3,150,723	2,437,952

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

13. Provisions (cont)

(a) Reconciliation of Movement in Provisions

	2021 \$'000	2020 \$'000
Balance at 1 July	2,437,952	1,664,986
<i>Prior periods</i>		
Support payments	(26,382)	(14,693)
Allocation of Queensland Health Fee	(9,245)	(8,950)
Support Admin Expenses	(9,809)	(8,166)
Discount unwind	5,167	17,145
Effect of changes in assumptions and experience	(127,476)	(76,915)
<i>Current period</i>		
Provision for current period	880,516	864,544
Net Outstanding Treatment, Care and Support Liability	3,150,723	2,437,952

The liability for outstanding treatment, care and support includes future payments and administrative expenses for all participants and those injured before 30 June 2021 who are yet to be accepted by the Scheme. The liability is assessed by reviewing individual case files and uses statistics based on past experience, including external data, to estimate the cost of future accepted participants. The scheme liability is measured as the present value of the expected future payments allowing for inflation and superimposed inflation.

The treatment, care and support expense represent the cost to the Scheme of people injured during the year to 30 June 2021 and revision of the estimated cost for people injured up to 30 June 2020.

(b) Key actuarial assumptions - participant numbers and average costs (inflated discounted)

For accepted participants, the average cost has been actuarially assessed based on each participant's age, injury severity, expected progress of the injury, and expected changes to required care and support needs over time. For participants who have not yet lodged or had their application accepted, the average cost allows for their expected age and injury severity mix.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

13. Provisions (cont)

2021

Injury Type	Number of Participants			Average Cost (excl CHE) *		
	Accepted to date	Not yet lodged or accepted	Total	Accepted to date	Not yet lodged or accepted	Total
Brain	331	42	373	\$5.3m	\$6.0m	\$5.4m
Spinal	78	6	84	\$10.4m	\$10.2m	\$10.4m
Other	19	3	22	\$4.2m	\$4.8m	\$4.3m
Total	428	51	479	\$6.2m	\$6.4m	\$6.2m

2020

Injury Type	Number of Participants			Average Cost (excl CHE) *		
	Accepted to date	Not yet lodged or accepted	Total	Accepted to date	Not yet lodged or accepted	Total
Brain	240	53	293	\$5.8M	\$5.6M	\$5.8M
Spinal	57	6	63	\$8.1M	\$10.1M	\$8.3M
Other	11	2	13	\$4.9M	\$5.8M	\$5.1M
Total	308	61	369	\$6.2M	\$6.1M	\$6.2M

* Case handling expense

(c) Key actuarial assumptions - other

	2021 \$'000	2020 \$'000
Weighted average inflation	2.94%	2.85%
Weighted average discount	2.69%	2.45%
Discounted mean term	25.6 years	26.7 years
Case handling expense applied to payments excluding lump sums	12%	12%

On average scheme costs are expected to increase by 3.92% p.a (2020: 3.86%). This is 0.98% higher than the weighted average inflation of 2.94% p.a (2020: 2.85%) and has been provided for in the actuarial assessment of the liability.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

13. Provisions (cont)

Sensitivity Analysis for the Valuation as at 30 June 2021

The liability represents the best estimate and is based on standard actuarial assessment. The table below shows sensitivities to some of the actuarial assumptions used in the valuation. Significant uncertainty exists due to the long-term nature of liabilities and volatility around the number of Scheme participants and their injury severity. The sensitivities below do not represent an upper or lower bound of the provision but rather provide an indication of the uncertainty inherent in the provision.

Sensitivities Analysis as at 30 June 2021 including Case Handling Expense (CHE)

Scenario	Inflated discounted liability (incl CHE)	Effect on Liability (\$)	Effect on Liability (%)
Base	\$3,151M		
1% p.a. decrease in discount rates	\$4,122M	\$971M	31%
Increase in the discounted mean term of 1 year	\$3,068M	(\$83M)	(3%)
10% reduction in IBNR * participant numbers	\$3,115M	(\$36M)	(1%)
10% increase in the average cost per Acquired Brain Injury participant	\$3,365M	\$214M	7%
10% increase in average cost per Spinal Cord Injury participant	\$3,242M	\$91M	3%
10% increase in the average cost per Other participant	\$3,161M	\$10M	0%
5% increase in care rates	\$3,271M	\$120M	4%
No allowance for improvement in brain injuries	\$3,457M	\$306M	10%
1% p.a. growth in care hours above benchmark	\$4,014M	\$863M	27%

* Incurred but not reported

Sensitivities Analysis as at 30 June 2020 including Case Handling Expense (CHE)

Scenario	Inflated discounted liability (incl CHE)	Effect on Liability (\$)	Effect on Liability (%)
Base	\$2,438M		
1% p.a. decrease in discount rates	\$3,228M	\$790M	32%
Increase in the discounted mean term of 1 year	\$2,380M	(\$58M)	(2%)
10% reduction in IBNR * participant numbers	\$2,393M	(\$45M)	(2%)
10% increase in the average cost per Acquired Brain Injury participant	\$2,620M	\$182M	7%
10% increase in average cost per Spinal Cord Injury participant	\$2,493M	\$55M	2%
10% increase in the average cost per other participant	\$2,445M	\$7M	0%
5% increase in care rates	\$2,531M	\$93M	4%
No allowance for improvement in brain injuries	\$2,687M	\$249M	10%
1% p.a. growth in care hours above benchmark	\$3,141M	\$703M	29%

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

14. Equity

In 2020-21, assets comprising of investments in unit trusts from the Nominal Defendant Fund (\$50M) were transferred to the NIISQ Fund. This transfer was designated as a contribution by owners pursuant to AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities and adjusted against NIISQ's contributed equity.

15. Fair Value Measurement

Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued.

Financial assets carried at fair value are categorised within the following fair value hierarchy:

Level 1	fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	fair value measurements that are substantially derived from unobservable inputs.

The NIISQ Agency recognises other financial assets invested with QIC at fair value through profit or loss. The fair value is measured at market value based on closing unit prices of QIC unlisted unit trusts. Fair value gains and losses are recognised in the Statement of Comprehensive Income.

While the units in the trust have redemption prices and are able to be traded, the market would not be considered active for level 1, therefore, they are considered to be level 2. A market comparison valuation approach is used, with the units carried at redemption value as reasonably determined by the funds' manager. Classifications of instruments into fair value hierarchy levels are reviewed annually.

There were no transfers of assets between fair value hierarchy levels during the year.

The fair value of receivables and payables is assumed to approximate the value of the original transactions.

The carrying amount for cash assets represents the fair value.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

16. Financial Risk Disclosures

(a) Financial Instrument Categories

The NIISQ Agency has the following categories of financial assets and financial liabilities:

Category	Note	2021 \$'000	2020 \$'000
Financial Assets			
Cash		3,212	14,268
Receivables (amortised cost)	9	8,650	5,702
Other financial assets (fair value through profit or loss)		2,903,608	2,187,676
Total		2,915,470	2,207,646
Financial Liabilities			
Payables (amortised cost)	11	2,192	1,919
Total		2,192	1,919

A financial asset is classified at fair value through profit or loss (FVTPL) if it is classified as held for trading or if so designated on acquisition. Financial assets at FVTPL are valued at fair value at balance date.

NIISQ Agency's other financial assets at FVTPL consist of investments with QIC. These assets are classified as held for trading. A financial asset is classified in this category where it is acquired for selling or repurchasing in the near term, or if on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The National Injury Insurance Agency, Queensland
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

16. Financial Risk Disclosures (cont)

(b) Financial Risk Measurement and Management Strategies

NIISQ Agency's activities expose it to a variety of financial risks - credit risk, liquidity risk and market risk.

Risk exposure is measured using a variety of methods:

Risk Exposure	Measurement Method
Credit risk	Earnings at risk
Liquidity risk	Maturity analysis
Market risk	Sensitivity analysis

(i) Credit Risk

Credit risk exposure refers to the situation where NIISQ Agency may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation. Credit risk arises from financial assets (cash and cash equivalents, investments held with QIC and outstanding receivables).

The NIISQ Agency's maximum exposure to credit risk is the carrying amount of its Financial Assets disclosed in Note 16(a).

The NIISQ Agency seeks to reduce the exposure to credit risk in the following manner:

- invest in secure assets through QIC and regularly reviewing the investment strategy;
- monitor all funds owed on a timely basis; and
- assess credit risk exposure on an ongoing basis.

Cash and cash equivalents are held with banking and financial institutions through the whole-of-government banking arrangement.

The NIISQ Agency does not expect any material credit losses in relation to its receivables disclosed in Note 9. The debtor group comprises of Queensland and Australian Government entities. They are expected to have an insignificant level of credit risk exposure having regard to the nature and credit ratings of these entities.

(ii) Liquidity Risk

Liquidity risk refers to the situation where the NIISQ Agency may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The NIISQ Agency is exposed to liquidity risk in respect of its payables and future Participant Lifetime Treatment, Care and Support Expenses. NIISQ Agency's current payables and provisions are expected to be settled within 12 months of the reporting date.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

16. Financial Risk Disclosures (cont)

The NIIAQ Agency manages its exposure to liquidity risk by ensuring that the NIIAQ Agency has sufficient funds available to meet its liabilities. This is achieved by monitoring the QIC investment funds and maintaining minimum cash balances within its bank account to meet both short-term and long-term cash flow requirements.

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and other price risk.

The significant market risks to the NIIAQ Agency are unit price and interest rate risks associated with its investments managed by QIC. Movements in interest rates and market prices of the financial instruments impact the fair values of NIIAQ Agency's financial assets.

Interest rate risk also exists in relation to NIIAQ Agency's cash held in interest bearing bank accounts.

Market risk is managed through regular reviews of the investment strategies between the State Investment Advisory Board, the NIIAQ Agency and QIC via the Investment management Agreement executed April 2021.

(c) Market Risk Sensitivity Analysis

A sensitivity analysis has been performed assessing the impact to profit and loss if the unit price of the NIIAQ Agency's investment funds change. The analysis is based on a range of reasonably possible changes to key risk variables applicable to the QIC investment funds as identified by QIC, including the RBA official cash rate, Bank of England official cash rate, ASX 200, MSCI World ex Australia Equities Index and real estate capitalisation rate.

The NIIAQ Agency's sensitivity to these possible changes are shown in the table below.

	2021				2020			
	Movement in variable		Impact on Profit / Equity		Movement in variable		Impact on Profit / Equity	
	Low	High	Decrease	Increase	Low	High	Decrease	Increase
Investments	%	%	\$'000	\$'000	%	%	\$'000	\$'000
QIC Cash Fund	N/A				-0.23	0.23	(27)	27
QIC LTDF					-11	10	(143,285)	130,259
QIC AFIF					-0.51	0.52	(4,454)	4,541
QIC Trust Fund*	-8	8	(232,289)	232,289	N/A			
Total			(232,289)	232,289			(147,766)	134,827

*On 20th April 2021, NIIAQ entered into an Investment Management Agreement (Tripartite) with The State Investment Advisory Board (SIAB) and Queensland Investment Corporation (QIC) which saw the transition to the QIC Trust Fund.

The interest rate risk associated with the NIIAQ Agency's cash and cash equivalents is immaterial.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

17. Contingencies and Commitments

There were no known commitments or contingent assets or liabilities at 30 June.

18. Events Occurring after the reporting date

There have been no post balance date events identified.

19. Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

AASB 17 Insurance Contracts

AASB 17 will first apply from 2022-23. This standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

Based on present arrangements, NISQ does not issue insurance contracts and there will be no impact on its financial statements. However, if such contracts are entered into in the future, the Agency will need to follow the relevant accounting treatment specified in the new standards.

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

AASB 1060 will be effective from 2021-22. This standard introduces the 'Simplified Disclosures' framework for Tier 2 entities that will replace the current 'Reduced Disclosure Requirements' framework.

As all Government departments and those statutory bodies consolidated into the Whole of Government financial statements are required to apply Tier 1 reporting requirements, this standard will have no impact to the NISQ Agency's financial statements.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to the NISQ Agency's activities, or have no material impact on the NISQ Agency.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

20.Key Management Personnel (KMP) Disclosures

Details of KMP

The following details for KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of the NIIAQ Agency during 2020-21. The second personnel is a Queensland Treasury (QT) employee. Further information including remuneration for this position can be found in the body of the Motor Accident Insurance Commission and Nominal Defendant Annual Reports under the section relating to Key Management Personnel and Remuneration.

Position	Position Responsibility
Chief Executive Officer (from 1 July 2020 to 2 June 2021)	Leads the efficient, effective and economic administration of the NIIAQ Agency.
*Chief Executive Officer (from 2 June 2021 to 30 June 2021)	
Head of Corporate Services (from 1 July 2020 to 30 June 2021)	Responsible for the efficient, effective and economic financial administration of the NIIAQ Agency.
Head of Participant Care (from 1 July 2020 to 30 June 2021)	Responsible for the leadership and supervision of NIIAQ Agency support coordination compliance and performance.
General Counsel (from 1 July 2020 to 30 June 2021)	Responsible for managing the NIIAQ Agency's legal function, procurement, risk management and supporting the NIIAQ Agency to provide treatment, care and support to participants in a legally sound and compliant manner.

*There was a change in the Chief Executive Officer during 2020-21 (Note 2).

Remuneration Policies

The NIIAQ Agency's KMP are employed under the NIIAQ Act and via employment contract/agreement between the executive and the Agency. The remuneration policy for the NIIAQ Agency's KMP is aligned to the Senior Executive Service employment remuneration and conditions as set by the Queensland Public Service Commission.

Remuneration packages for KMP comprise the following components:

- Short term employee expenses which include:
 - salaries, allowances and leave entitlements paid and provided for the entire year, or for that part of the year during which the employee was a key management person; and
 - non-monetary benefits - consisting of provision for motor vehicle related expenses together with fringe benefits tax applicable to the benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

20. Key Management Personnel (KMP) Disclosures (cont)

KMP Remuneration Expense

2020-21

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer (from 1 July 2020 to 2 June 2021)	260	4	14	30	63	371
*Chief Executive Officer (from 2 June 2021 to 30 June 2021)	-	-	-	-	-	-
**Head of Participant Care	147	-	3	16	-	166
**Head of Corporate Services	191	4	4	20	-	219
**General Counsel	191	4	4	20	-	219
Total Remuneration	789	12	25	86	63	975

*There is a nil remuneration for 2020-21 as this KMP was not employed directly by NIISQ Agency. This personnel was employed by Queensland Treasury and will be included in Other Supplies and Services in 2021-22. Further information including remuneration for this position can be found in the body of the Motor Accident Insurance Commission and Nominal Defendant Annual reports under the section relating to Key Management Personnel and Remuneration.

** Head of Corporate Services and General Counsel appointments were terminated 15 July 2021, Head of Participant Care appointment was terminated 06 August 2021.

The 2020-21 amount above represents the portion of KMP employed by NIISQ Agency for the period of their employment in the 2020-21 financial year.

2019-20

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	261	6	6	32	-	304
Head of Participant Care	138	-	4	14	-	156
Head of Corporate Services	181	6	4	19	-	210
General Counsel	183	4	4	19	-	211
Total Remuneration	763	15	18	84	-	880

Performance Payments

No KMP remuneration packages provide for performance or bonus payments.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

21. Board Disclosures

The NIISQ Agency Board consisted of seven members appointed by the Governor-in-Council. The Board decides the strategies and the administrative, operational and financial policies to be followed by the NIISQ Agency ensuring the NIISQ Agency performs its functions and exercises its powers in an efficient, effective and proper way. In June 2021, the NIISQ Agency Board was dissolved as a result of the *Queensland Future Fund (Titles Registry) Act 2021*, hence Board Member remuneration expenses in 2020-21 was lower than 2019-20.

Board Member Remuneration

2020-21

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Board Member (Chair) Julie-Anne Schafer	52	-	-	5	-	57
Board Member Michael Willis	34	-	-	3	-	37
Board Member Lesley Anderson	34	-	-	3	-	37
Board Member Scott Davis	34	-	-	3	-	37
Board Member Michelle Morton	34	-	-	3	-	37
Board Member Rowan Ward	34	-	-	3	-	37
Board Member Susan Young	34	-	-	3	-	37
Total Remuneration	256	-	-	23	-	279

2019-20

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Board Member (Chair) Julie-Anne Schafer	55	-	-	5	-	60
Board Member Michael Willis	36	-	-	3	-	40
Board Member Lesley Anderson	35	-	-	3	-	39
Board Member Scott Davis	35	-	-	3	-	39
Board Member Michelle Morton	35	-	-	3	-	39
Board Member Rowan Ward	35	-	-	3	-	39
Board Member Susan Young	36	-	-	3	-	40
Total Remuneration	269	-	-	26	-	295

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

22. Related Party Transactions

Transactions with people/entities related to Key Management Personnel (KMP)

During the financial year there were no transactions with people or other entities related to KMPs of NIISQ Agency.

Transactions with Other Queensland Government controlled entities

Queensland Treasury and CAA provided NIISQ Agency with administration and corporate support services during the financial year as disclosed in Note 6.

NIISQ Agency incurs management fees from QIC for the management of the QIC unlisted unit trusts as disclosed in Note 6.

NIISQ Agency makes payment from the fund in an amount determined by the Treasurer to any government entity, that is responsible for providing public hospital services or emergency services as disclosed in Note 7.

NIISQ Agency charges WorkCover Queensland and Self Insurers an administrative fee for providing eligible worker the treatment, care and support as prescribed in the NIISQ Act 2016. Total charges relating to 2020-21 are \$631,864 (2020: \$391,301)

23. Agency Transactions

NIISQ Agency arranges for the provision of services on behalf of the Self Insurers, makes payments for participants' lifetime treatment, care and support expenses and receives respective reimbursements. Reimbursements received during the year have not been included as revenue in the Statement of Comprehensive Income as the Self Insurers retain the liability. Similarly, payments made on behalf of the Self Insurers have not been included as expenses.

Amounts relating to 2020-21 are \$4,160,840 (2020: \$1,868,942).

24. First year Application of New Accounting Standards or Change in Accounting Policy

Changes in Accounting Policies

NIISQ Agency did not voluntarily change any of its accounting policies during 2020-21.

Accounting Standards Early Adopted

No Australian Accounting Standards have been early adopted for 2020-21.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

24. First year Application of New Accounting Standards or Change in Accounting Policy (cont)

Accounting Standards Applied for the First Time

The following new accounting standard was applied for the first time in 2020-21:

- AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 Service Concession Arrangements: Grantors

The NIISQ Agency applied AASB 1059 for the first time in 2020-21. This standard defines service concession arrangements and applies a new control concept to the recognition of service concession assets and related liabilities.

As NIISQ Agency currently does not have any service concession arrangements there are no impact on its financial statements.

25. Taxation

The NIISQ Agency is a statutory body as defined under the Income Tax Assessment Act 1936 and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes accounted for by the NIISQ Agency. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note 9).

26. Climate Risk Disclosure

The Agency has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy.

The National Injury Insurance Agency, Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2020-21

27. Impact of COVID-19

The Agency has continued to monitor COVID-19's financial impact in the preparation of the financial report. The NIISQ Agency has considered the following two key business drivers:

Investments with QIC

All financial instruments owned by a QIC-managed Fund are measured at fair value, which is determined in accordance with QIC Investment Valuations Policy, which defines fair value in accordance with *AASB 13 Fair Value Measurement* as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (Note 15).

The determination of the financial instruments' fair values as at 30 June 2021 included a consideration of the financial and economic uncertainty which has arisen as a result of the COVID-19 pandemic.

Valuation of treatment, care and support provisions

There have not been any adjustments to the liability as a result of COVID-19 nor is it expected that it will have a material impact. This is based on Queensland having had limited travel restrictions within the State and no observable effect on participant numbers. The long-term nature of the liabilities also means that even if there was a temporary reduction in support costs, it is unlikely to have a material impact on the liability value.

MANAGEMENT CERTIFICATE
for the year ended 30 June 2021

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009 (the Act)*, section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the National Injury Insurance Agency, Queensland for the financial year ended 30 June 2021 and of the financial position of the agency at the end of that year; and
- (c) We, acknowledge(s) responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



.....
Signature

N Singleton

B Bus (Insurance), MBA

Chief Executive Officer

09/08/2021

INDEPENDENT AUDITOR'S REPORT

To the Chief Executive Officer of The National Injury Insurance Agency, Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of The National Injury Insurance Agency, Queensland.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Material uncertainty related to going concern

I draw attention to Note 1(g) to the financial report, which indicates that the entity's total liabilities exceeded its total assets by \$233,662,000 at 30 June 2021, and it incurred a net operating loss of \$53,256,000 for the year then ended. As stated in Note 1(g), these circumstances indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Responsibilities of the entity for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Chief Executive Officer is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Executive Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Paul Christensen
as delegate of the Auditor-General

13 August 2021

Queensland Audit Office
Brisbane



Appendices

NIISQ AGENCY

Strategic Plan 2020-2024

Our vision

Making lives better

Our purpose

Empowering participants to live their best lives

We will respect, protect and promote human rights in our decision-making and actions

OBJECTIVES	STRATEGIES	MEASURES
Ensure necessary and reasonable high quality treatment, care and support for participants	<ul style="list-style-type: none"> Implement robust, consistent, and transparent support planning processes, matching high quality services with participant individual circumstances Evolving our service delivery options to allow participants to build greater capacity and independence Implement a framework to enhance the measurement of individual participant goals and health outcomes 	<ul style="list-style-type: none"> Increases in participant satisfaction with service delivery Continuous improvement in processes and practices by stakeholder and peer feedback Improvement in health and social outcomes for participants
Partner with service providers and other stakeholders to facilitate better outcomes for participants and their families	<ul style="list-style-type: none"> Increase engagement with service providers to enhance quality and safeguarding Widen our partnerships with health and disability sector stakeholders to support knowledge sharing and increase participant referrals Continue to build relationships to enable effective research and innovative practice opportunities 	<ul style="list-style-type: none"> Increases in participant satisfaction with service providers Build understanding of our vision, purpose and guiding principles among partners
Optimise team capability, innovation, culture and performance to be a centre of excellence	<ul style="list-style-type: none"> Grow knowledge of evidence-based treatment, care and support options Provide focussed individual and team capability development opportunities to further expand our broad and diverse expertise Continue to implement positive and successful people and culture initiatives 	<ul style="list-style-type: none"> Increases in positive results from employee satisfaction and engagement surveys Increases in individual and team contribution in line with evolving Agency needs Increases in authentic leadership behaviours at all levels
Ensure sustainable fund management and administration to support Agency objectives	<ul style="list-style-type: none"> Monitor implementation of investment strategies to achieve investment objectives Manage Scheme and Agency costs prudently Implement enhanced service provider contract arrangements to ensure best value treatment, care and support options 	<ul style="list-style-type: none"> Uphold integrity and transparency in financial, actuarial and other performance reporting Monitor treatment, care and support decisions against Scheme effectiveness and efficiency

Supporting Queensland Government objectives for the community

Safeguarding our health
Safeguard people's health and jobs by keeping Queensland pandemic-ready

Backing our frontline services
Deliver world-class frontline services in key areas such as health, education and community safety

Managing our risks

The NIISQ Agency appropriately manages our key strategic risks which relate to:

- Positioning ourselves to empower participants to thrive in the face of evolving requirements, and environmental and industry changes
- Sourcing high quality service providers that meet our quality and safeguarding requirements, match participant locations and align with our values in tight markets
- Ensuring high quality treatment, care and support for participants, balancing choice and control, financial sustainability, innovation and evidence-based treatments
- As our size and complexity grows, continue to maintain an accessible, participant-centred approach
- Advising government of risk relating to the financial sustainability of the Scheme

Managing our risks

The NIISQ Agency will also leverage the following opportunities:

- Enhancing digital service delivery for participants and their families, for our service providers and to enhance our operational effectiveness and efficiency
- Expanding NIISQ's capability to leverage data and intelligence across all aspects of our business
- Grow our networks, reputation and referral pathways to ensure that all eligible participants and their families have access to the Scheme

Our guiding principles

- Participant-centred
- Financially sustainable
- Value for money services within community expectations
- Empower participants through decision making and choice
- Focus on health and social outcomes
- Dignity and respect are paramount



Participants first



Ideas into action



Unleash potential



Be courageous



Empower people

NIISQ
MAKING LIVES BETTER

NIISQ funds and provides necessary and reasonable treatment, care and support for people who sustain an eligible serious personal injury in a motor vehicle accident in Queensland on or after 1 July 2016.



The National Injury Insurance Agency, Queensland

Outstanding Treatment, Care and Support Liability as at 30 June 2021

1 Scope

Taylor Fry has been engaged by the Board of the National Injury Insurance Agency Queensland (NIIAQ) to assess the outstanding treatment, care and support liability associated with the National Injury Insurance Scheme Queensland as at 30 June 2021. This valuation will form the basis for the provisions held by NIIAQ in their accounts as at 30 June 2021, with respect to these liabilities.

2 Valuation Results

The estimated outstanding treatment, care and support liability for NIIAQ as at 30 June 2021 is \$3,151 million. This liability estimate:

- Is a central estimate of the liability, and therefore contains no deliberate bias towards over or under estimation. Specifically, the liability estimate does not include a margin for risk;
- Allows for the expected future inflation of costs and is discounted to the valuation date assuming yields commensurate with Australian Commonwealth government bonds; and
- Includes an allowance associated with the expected future cost of managing participants' care and support.

3 Relevant Standards

3.1 Accounting Standards

The estimate of the outstanding treatment, care and support liability was prepared so as to satisfy the requirements of accounting standard AASB137.

3.2 Professional Standards

This investigation is intended to comply with the Institute of Actuaries of Australia's Professional Standard PS 302, "Valuations of General Insurance Claims", noting that:

- Risk margins were not in the scope of our analysis
- Premium Liabilities and loss ratios were not in the scope of our analysis.

4 Uncertainty

There is a limitation upon the accuracy of our estimate in that there is inherent uncertainty in any estimate of participant support liabilities. The uncertainty is particularly high with regard to NIIAQ's liabilities given that the Scheme only commenced in 2016 combined with the long-term nature of the liabilities which will in many cases be paid over more than fifty years. These uncertainties include, but are not limited to, the number of participants in the Scheme, their rates of mortality, the level of care and support they will require, and prices paid to providers.

In our opinion, we have employed techniques and made assumptions that are appropriate, and the conclusions presented herein are reasonable, given the information which is currently available. However, it should be recognised that the actual liabilities relating to treatment, care and support as at 30 June 2021 are likely to differ, possibly materially, from our estimates.

5 Reliance and Limitations

In undertaking this investigation, we have relied upon information supplied by NIIAQ including details of participants' injuries and transactional payments data. We have used the information without independent verification. However, where possible, it was reviewed for reasonableness and consistency. We are satisfied that the data provided for our review is reasonable for the purpose of estimating the outstanding treatment, care and support liability.



Darryl Frank

Fellow of the Institute of Actuaries of Australia

3 August 2021

APPENDIX 3 - GLOSSARY

Term/s	Definition
Act / NIIAQ Act	<i>National Injury Insurance Scheme (Queensland) Act 2016.</i>
Attendant care	Paid personal care support services delivered in a participant's home or in their community.
Board	The Board of the National Injury Insurance Agency. This refers to the Chairperson, Deputy Chairperson and members appointed to the Board.
Board member	A person who was appointed as a member of the National Injury Insurance Agency, Queensland.
Carer	A person who provides personal care, support and assistance to a participant.
CONNECT	The NIIAQ Agency's internal database for recording and reporting on treatment, care and support for participants.
CTP	Compulsory Third Party insurance.
Executive Leadership Team (ELT)	The Chief Executive Officer, Head of Participant Care, Head of Corporate Services and General Counsel.
Goals	The individual aspirational outcomes set by participants for themselves.
Interim participant	People who have been accepted into the Scheme for the defined participation period described in the <i>National Injury Insurance Scheme (Queensland) Act 2016</i> .
Lifetime participant	Participants who have been accepted into the Scheme for the rest of their life.
National Disability Insurance Scheme (NDIS)	The NDIS is a different scheme to NIIAQ. NDIS provides support to people living with a disability. More information about the NDIS can be found on its website www.ndis.gov.au
National Injury Insurance Agency, Queensland (NIIAQ Agency)	The Queensland statutory body that administers NIIAQ.
National Injury Insurance Scheme (NIIS)	The type of lifetime care scheme implemented in all states and territories in Australia. NIIAQ is a type of NIIS.
National Injury Insurance Scheme, Queensland Fund (the Fund)	The fund the NIIAQ Agency manages to meet the cost of necessary and reasonable participant treatment, care and support now and throughout their lifetime, and NIIAQ Agency operational expenses.
National Injury Insurance Scheme, Queensland Levy (the Levy)	Queenslanders pay for NIIAQ via a levy in conjunction with CTP premium and registration
National Injury Insurance Scheme, Queensland (NIIAQ)	The Scheme implemented in Queensland to provide necessary and reasonable treatment, care and support to people who sustain a serious personal injury in a motor vehicle accident. In this annual report, NIIAQ is also referred to as 'the Scheme'.
Participant	A person who has applied and been accepted to participate in NIIAQ.
Provider	Individuals or organisations who deliver treatment, care and support services to NIIAQ participants.
GAO	Queensland Audit Office.
QIC	Queensland Investment Corporation.
Registered provider	Individuals or organisations that provide treatment, care and support and meet the NIIAQ Agency's requirements for registration.
Regulation	<i>National Injury Insurance Scheme (Queensland) Regulation 2016.</i>
Stakeholder	Those who are either affected by or can affect the activities of the NIIAQ Agency, namely participants, government agencies, non-government organisations, hospital staff, allied health professionals and employees.
Study and Research Assistance Scheme (SARAS)	Provides financial and leave assistance for employees completing work-related study
Support plan	A tailored plan written with the participant stating their goals, injury-related needs, and the necessary and reasonable treatment, care and support that NIIAQ will fund. Each NIIAQ participant has their own individual support plan.
Support Planner	NIIAQ Agency professionals who assess, decide and monitor the provision of necessary and reasonable treatment, care and support and develop support plans for participants.
Treasury	Queensland Treasury.

APPENDIX 4 - COMPLIANCE CHECKLIST

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7 Letter of compliance - Page 4
Accessibility	Table of contents	ARRs – section 9.1 Table of contents - Page 3
	Glossary	Appendix 3: Glossary - Page 81
	Public availability	ARRs – section 9.2 Inside front cover
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 Inside front cover
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4 Inside front cover
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5 Inside front cover
General information	Introductory Information	ARRs – section 10 About NIIISQ - Page 6 About the NIIISQ Agency - Page 8 Our vision, purpose and guiding principles - Page 10
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1 About the NIIISQ Agency - Page 12
	Agency objectives and performance indicators	ARRs – section 11.2 Report card - Page 21 Appendix 1: Strategic Plan - Page 78
	Agency service areas and service standards	ARRs – section 11.3 Not applicable
Financial performance	Summary of financial performance	ARRs – section 12.1 Financial: Summary of financial performance - Page 38
	Organisational structure	ARRs – section 13.1 Our people: Our organisational structure - Page 16
	Executive management	ARRs – section 13.2 Our people: Executive Leadership Team - Page 15 Governance - The NIIISQ Board - Page 24
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3 Not applicable
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 Our people - Page 13
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5 Governance: Our strong commitment to human rights - Page 27
	Queensland public service values	ARRs – section 13.6 About the NIIISQ Agency: Our values - Page 11
Governance — risk management and structure	Risk management	ARRs – section 14.1 Governance: Risk management - Page 28
	Audit committee	ARRs – section 14.2 Governance: Audit and risk committee - Page 25
	Internal audit	ARRs – section 14.3 Governance: Internal and external accountability - Page 30
	External scrutiny	ARRs – section 14.4 Not applicable
	Information systems and recordkeeping	ARRs – section 14.5 Governance: Information systems and recordkeeping - Page 30
	Information Security attestation	ARRs – section 14.6 Not applicable
Governance — human resources	Strategic workforce planning and performance	ARRs – section 15.1 Our people - Page 17
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2 Our people: Workforce profile - Page 17
Open Data	Statement advising publication of information	ARRs – section 16 Governance: Other disclosures - Page 31
	Consultancies	ARRs – section 33.1 https://data.qld.gov.au
	Overseas travel	ARRs – section 33.2 https://data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 33.3 https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1 Certification of financial statements - Page 4 Management certificate - Page 73
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2 Independent Auditor's Report - Pages 74-76

FAA *Financial Accountability Act 2009*

ARRs

Annual report requirements for Queensland Government agencies

FPMS *Financial and Performance Management Standard 2019*

