



New South Wales

# State Insurance and Care Governance Amendment (Governance Arrangements) Bill 2024

## Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

## Overview of Bill

The object of this Bill to amend the *State Insurance and Care Governance Act 2015* (**the Act**) to—

- (a) remove the Chief Executive Officer (the **CEO**) from the board of directors of Insurance and Care NSW (**ICNSW**) as a Managing Director, and
- (b) appoint the Treasury Secretary, or a nominated Treasury delegate, to the ICNSW board, and
- (c) require Ministerial approval for the appointment of a CEO by the ICNSW board, and
- (d) require the tabling of the ICNSW annual statement of business intent in Parliament from 1 January 2025 onwards.

## Outline of provisions

**Clause 1** sets out the name, also called the short title, of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act.

## Schedule 1      **Amendment of State Insurance and Care Governance Act 2015 No 19**

**Schedule 1[2]** removes the CEO from the board of directors of ICNSW and appoints the Secretary of the Treasury, or an officer nominated by the Treasury to represent the Secretary. **Schedule 1[4]** provides that a person may be appointed as the CEO of ICNSW only with the approval of the Minister who administers the Act (the **Minister**). **Schedule 1[3]** makes a consequential amendment.

**Schedule 1[5]** inserts proposed section 10A, which requires ICNSW to prepare a statement of business intent for each financial year. The proposed section sets out what ICNSW must consider when preparing a draft and final statement of business intent and how the statement of business intent can be modified or amended by ICNSW or the Minister. **Schedule 1[8]** provides that the Minister must, within 14 days of receiving the document, table certain documents that relate to a statement of business intent for ICNSW in each House of Parliament. **Schedule 1[1], [6] and [7]** make consequential amendments.

**Schedule 1[9]** contains a transitional provision, which makes it clear that the Minister is not required to table a statement of business intent in relation to the 2024–2025 financial year for ICNSW.



New South Wales

# State Insurance and Care Governance Amendment (Governance Arrangements) Bill 2024

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*This PUBLIC BILL, originated in the LEGISLATIVE ASSEMBLY and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.*

*Legislative Assembly*

*Clerk of the Legislative Assembly*



New South Wales

# **State Insurance and Care Governance Amendment (Governance Arrangements) Bill 2024**

No. \_\_\_\_\_, 2024

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## **A Bill for**

An Act to amend the *State Insurance and Care Governance Act 2015* to provide for improved governance arrangements and transparency in relation to Insurance and Care NSW.

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*The LEGISLATIVE COUNCIL has this day agreed to this Bill with/without amendment.*

*Legislative Council*

*Clerk of the Parliaments*

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**The Legislature of New South Wales enacts—**

1

**1 Name of Act**

2

This Act is the *State Insurance and Care Governance Amendment (Governance Arrangements) Act 2024*.

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**2 Commencement**

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This Act commences as follows—

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(a) for Schedule 1[8] and [9]—on 1 January 2025,

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(b) otherwise—on the date of assent to this Act.

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<b>Schedule 1</b>	<b>Amendment of State Insurance and Care Governance Act 2015 No 19</b>	1
		2
<b>[1] Section 3 Definitions</b>		3
	Insert in alphabetical order in section 3(1)—	4
	<i>statement of business intent</i> means a completed statement of business intent provided under section 10A(3)(c), as modified from time to time under that section.	5 6 7
<b>[2] Section 5 Board of directors of ICNSW</b>		8
	Omit section 5(2)(a). Insert instead—	9
	(a) the Secretary of the Treasury, or an officer of the Treasury nominated by the Secretary of the Treasury to represent the Secretary,	10 11
<b>[3] Section 8 Chief executive of ICNSW</b>		12
	Omit “, in consultation with the Minister,” from section 8(1).	13
<b>[4] Section 8(1A)</b>		14
	Insert after section 8(1)—	15
	(1A) A person may be appointed as the chief executive of ICNSW only with the Minister’s approval.	16 17
<b>[5] Section 10A</b>		18
	Insert after section 10—	19
<b>10A Preparation of annual statement of business intent</b>		20
	(1) ICNSW must—	21
	(a) prepare a draft statement of business intent for each financial year of ICNSW, and	22 23
	(b) submit the draft statement of business intent to the Minister not later than 1 month after the commencement of the financial year to which the statement relates.	24 25 26
	(2) ICNSW must consider any comments on the draft statement of business intent made by the Minister if the comments are made within 2 months after the commencement of the financial year of ICNSW.	27 28 29
	(3) ICNSW must—	30
	(a) consult in good faith with the Minister about the comments made by the Minister about the draft statement of business intent, and	31 32
	(b) make changes to the draft statement of business intent agreed between the Minister and ICNSW, and	33 34
	(c) provide the completed statement of business intent within 3 months after the commencement of the financial year of ICNSW.	35 36
	(4) The statement of business intent must not, before the statement is tabled in both Houses of Parliament, be published or otherwise made available to the public without the prior approval of the Minister and ICNSW.	37 38 39
	(5) A statement of business intent may be modified at any time by ICNSW with the agreement of the Minister.	40 41

(6)	If ICNSW, by written notice to the Minister, proposes a modification to the statement of business intent, ICNSW may, within 14 days after giving the written notice, make the modification unless the Minister, by written notice to ICNSW, directs ICNSW not to make the modification.	1 2 3 4
(7)	The Minister may, from time to time, by written notice to ICNSW, direct ICNSW to amend and resubmit a statement of business intent in the way and time specified in the notice.	5 6 7
(8)	Before giving a notice under subsection (7), the Minister must consult with ICNSW about the matters to be referred to in the notice.	8 9
(9)	ICNSW must comply with a notice given under subsection (7).	10
<b>[6]</b>	<b>Section 11, heading</b>	11
	Omit the heading. Insert instead—	12
	<b>11 Contents of statement of business intent</b>	13
<b>[7]</b>	<b>Section 11(1) and (3)</b>	14
	Omit the subsections.	15
<b>[8]</b>	<b>Section 11A</b>	16
	Insert after section 11—	17
<b>11A</b>	<b>Tabling of statement of business intent and certain related documents</b>	18
(1)	The Minister must ensure the following documents are tabled in each House of Parliament within 14 sitting days after the Minister receives the document—	19 20 21
(a)	a statement of business intent provided to the Minister under section 10A(3)(c),	22 23
(b)	if a statement of business intent is modified under section 10A—a copy of the modification,	24 25
(c)	if a notice is given under section 10A(6) directing ICNSW not to modify a statement of business intent—a copy of the notice,	26 27
(d)	if a notice is given under section 10A(7) directing ICNSW to amend and resubmit a statement of business intent—a copy of the notice.	28 29
(2)	If the Minister tables a document under subsection (1), the document must be accompanied by a statement about whether the statement of business intent embodies any changes made to the description of the main undertakings of ICNSW.	30 31 32 33
(3)	Before a document referred to in subsection (1) is tabled, the Minister may remove any information of a commercially sensitive nature.	34 35
<b>[9]</b>	<b>Schedule 4 Savings, transitional and other provisions</b>	36
	Insert at the end of the schedule, with appropriate part and clause numbering—	37

<b>Part</b>	<b>Provision consequent on enactment of State Insurance and Care Governance Amendment (Governance Arrangements) Act 2024</b>	1
		2
		3
	<b>Tabling requirement for statement of business intent for 2024–25 financial year</b>	4
	Despite section 11A(1), the Minister is not required to table a statement of business intent provided to the Minister in relation to the 2024–25 financial year of ICNSW.	5
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