

State Records Authority of New South Wales

Functional Retention and Disposal Authority: FA343

This authority covers records documenting the function of insurance funds and schemes management

Issued to NSW Self Insurance Corporation (SICorp)

This functional retention and disposal authority is approved under section 21(2)c of the *State Records Act 1998* following prior approval by the Board of the State Records Authority of New South Wales in accordance with section 21(3) of the Act.

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Functional Retention and Disposal Authority

Authority no FA343

SR file no 10/0038

Scope This functional retention and disposal authority covers records documenting the function of insurance funds and schemes management.

Public office NSW Self Insurance Corporation (SICorp)

Approval date

Jenni Stapleton
A/Director
State Records Authority of New South Wales

10/12/2013
Date

About the Functional Retention and Disposal Authority

Purpose of the authority

The purpose of this functional retention and disposal authority is to identify those records created and maintained by NSW public offices which are required as State archives and to provide approval for the destruction of certain other records created and maintained by NSW public offices, after minimum retention periods have been met.

The approval for disposal given by this authority is given under the provisions of the *State Records Act 1998* only and does not override any other obligations of an organisation to retain records.

The retention and disposal of State records

The records retention and disposal practices outlined in this authority are approved under section 21(2)(c) of the *State Records Act 1998 (NSW)*. Part 3 (Protection of State Records) of the Act provides that records are not to be disposed of without the consent of State Records with certain defined exceptions. These exceptions include an action of disposal which is positively required by law, or which takes place in accordance with a normal administrative practice (NAP) of which State Records does not disapprove. Advice on the State Records Act can be obtained from State Records.

The authority sets out how long the different classes of records generated by an organisation must be kept to meet its legal, operational and other requirements, and whether the records are to be kept as State archives. The State Records Authority ('State Records') reviews and approves organisations' retention and disposal authorities under the State Records Act.

This authority is the product of an appraisal process conducted in accordance with State Records' *Standard on the appraisal and disposal of State records*. It is the duty of a public office, in submitting a draft functional retention and disposal authority for approval, to disclose to State Records any information which affects the retention of the records covered by the authority.

State Records' decisions take into account both the administrative requirements of public offices in discharging their functional responsibilities and the potential research use of the records by the NSW Government and the public. One of State Records' functions is to identify and preserve records as State archives. These are records which document the authority and functions of Government, its decision-making processes and the implementation and outcomes of those decisions, including the nature of their influence and effect on communities and individual lives. Criteria for the identification of State archives are listed in *Building the Archives: Policy on records appraisal and the identification of State archives*. The Policy also explains the roles and responsibilities of State Records and of public offices in undertaking appraisal processes and disposal activities.

Implementing the authority

This functional retention and disposal authority covers records controlled by the public office and applies only to the records or classes of records described in the authority. The authority should be implemented as part of the records management program of the organisation. Two

primary objectives of this program are to ensure that records are kept for as long as they are of value to the organisation and its stakeholders and to enable the destruction or other disposal of records once they are no longer required for business or operational purposes.

The implementation process entails use of the authority to sentence records. Sentencing is the examination of records in order to identify the disposal class in the authority to which they belong. This process enables the organisation to determine the appropriate retention period and disposal action for the records. Advice on sentencing can be obtained from State Records. See *Implementing a retention and disposal authority*.

Where the format of records has changed (for example, from paper-based to electronic) this does not prevent the disposal decisions in the authority from being applied to records which perform the same function. The information contained in non paper-based or technology dependant records must be accessible for the periods prescribed in the classes. Where a record is copied, either onto microform or digitally imaged, the original should not be disposed of without authorisation (see also the *General Retention and Disposal Authority – Imaged records*). Public offices will need to ensure that any software, hardware or documentation required to gain continuing access to technology dependent records is available for the periods prescribed.

Disposal action

Records required as State archives

Records which are to be retained as State archives are identified with the disposal action 'Required as State archives'. Records that are identified as being required as State archives should be stored in controlled environmental conditions and control of these records should be transferred to State Records when they are no longer in use for official purposes.

The transfer of control of records as State archives may, or may not, involve a change in custodial arrangements. Records can continue to be managed by the public office under a distributed management agreement. Public offices are encouraged to make arrangements with State Records regarding the management of State archives.

Transferring records identified as State archives and no longer in use for official purposes to State Records' control should be a routine and systematic part of a public office's records management program. If the records are more than 25 years old and are still in use for official purposes, then a 'still in use determination' should be made.

Records approved for destruction

Records that have been identified as being approved for destruction may only be destroyed once a public office has ensured that all other requirements for retaining the records are met. Retention periods set down in this authority are *minimum* periods only and a public office should keep records for a longer period if necessary. Reasons for longer retention can include legal requirements, administrative need, and government directives. A public office *must not* dispose of any records where the public office is aware of possible legal action (including legal discovery, court cases, formal applications for access) where the records may be required as evidence.

Once all requirements for retention have been met, destruction of records should be carried out in a secure and environmentally sound way. Relevant details of the destruction should be recorded. See *Destruction of records: a practical guide*.

Organisations should review functional retention and disposal authorities regularly to ensure that they remain relevant as the organisation's functions and activities, operating environment and requirements for records change. Retention requirements may change over time. This can occur when:

- business needs or practices change
- new laws, regulations or standards are introduced
- new technology is implemented
- government administration is restructured and functions are moved between entities, or
- unforeseen or new community expectations become apparent.

State Records recommends that organisations check any functional retention and disposal authorities more than 5 years old to ensure that the retention periods and disposal actions remain relevant.

Regardless of whether a record has been approved for destruction or is required as a State archive, a public office or an officer of a public office must not permanently transfer possession or ownership of a State record to any person or organisation without the explicit approval of State Records.

Administrative change

This functional retention and disposal authority has been designed to link records to the functions they document rather than to organisational structure. This provides for a stable retention and disposal authority that is less affected by administrative change. The movement of specified functions between branches or units within the public office does not require the authority to be resubmitted to State Records for approval. However, when functions move from one public office to another the public office that inherits the new function should contact State Records to discuss use of any existing retention and disposal authority approved for use by a predecessor organisation.

Amendment and review of this authority

State Records must approve any amendment to this authority. Public offices that use the authority should advise State Records of any proposed changes or amendments to the authority.

State Records recommends a review of this authority after five years to establish whether its provisions are still appropriate. Either the public office or State Records may propose a review of the authority at any other time, particularly in the case of change of administrative arrangements or procedures which are likely to affect the value of the records covered by this authority.

In all cases the process of review will involve consultation between State Records and the public office. If the process of review reveals that this authority requires amendment, the necessary amendments should be made and approved.

Contact Information

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**Functional Retention and Disposal Authority
Government insurance managed fund schemes (NSW Self Insurance Corporation (SICorp))**

Authority number: FA343

Dates of coverage: Open

List of Functions and Activities covered

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**Functional Retention and Disposal Authority
Government insurance managed fund schemes (NSW Self Insurance Corporation (SICorp))**

Authority number: FA343

Dates of coverage: Open

No	Function/Activity	Description	Disposal Action
1.0.0	FUND MANAGEMENT	<p>The function of administering NSW Government managed fund schemes, including self-insurance schemes such as the Treasury Managed Fund (TMF), insurance schemes, such as the Home Warranty Insurance Fund, and including closed government insurance schemes such as the Governmental Workers Compensation Account, Transport Accidents Compensation Fund, and the Pre-Managed Fund Reserve. Includes:</p> <ul style="list-style-type: none"> • calculating, determining and collecting fund premiums and contributions • carrying out actuarial assessments and reviews • purchasing reinsurance policies • handling insurance claims • preparing reports and statements on fund operations and performance • developing policies and procedures to assist in the administration and management of funds • managing investment portfolios • managing communications with members and other stakeholders for the purposes of educating, informing and promoting awareness of fund related matters. <p>See General Retention and Disposal Authority <i>Administrative records</i> COMMITTEES for records relating to the establishment, management and meetings of committees, taskforces, working groups or other parties, such as the TMF Advisory Council and Advisory Board, the Public Sector Risk Management Association committee, the Service Level Agreements working group, and underwriting committee.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i> COMMUNITY RELATIONS - Addresses for speeches and presentations delivered at conferences, seminars or other forums.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i></p>	

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Actuarial reviews & assessments</i>			
		<p>COMMUNITY RELATIONS - Celebrations, ceremonies, functions for records relating to the presentation of awards, such as the Treasury Managed Fund (TMF) Award for Excellence.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i></p> <p>COMMUNITY RELATIONS - Conferences for records relating to arrangement, management, attendance, or proceedings of conferences, seminars or forums.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i></p> <p>COMMUNITY RELATIONS - Customer service for records relating to charters, standards or guarantees relating to the provision of services to clients. Includes Business Profile agreements with member agencies which profile service expectations not covered in service standards.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i></p> <p>CONTRACTING-OUT for records relating to the establishment and ongoing management of contracts and agreements associated with outsourced services, such as contracts for the outsourcing of claims management and actuarial services. Includes contractor performance management, monitoring and auditing to ensure compliance with business processes.</p>	
1.1.0	Actuarial reviews & assessments	<p>The activity associated with managing future financial risks through the analysis and calculation of costs.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i></p> <p>CONTRACTING-OUT for records relating to the out-sourcing of actuarial services, including establishing, negotiating and reviewing agreements, and records relating to the monitoring of contractor performance, including performance reports and meetings.</p> <p>See FUND MANAGEMENT - Contributions & Premiums for records relating to advice, reports and assessments received from actuaries to assist in the determination of premium rates and contribution amounts.</p>	
1.1.1		Final reports, including peer review reports, of actuarial assessments and reviews	Required as State

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Actuarial reviews & assessments</i>			
		of funds and identify future financial risks.	archives
1.1.2		Records relating to actuarial assessment work undertaken for the agency. Includes <ul style="list-style-type: none"> • working papers and draft reports of actuarial valuations • advice and briefings on actuarial reviews and assessments • liaison, meetings and correspondence with appointed actuaries. 	Retain minimum of 7 years after action completed, then destroy
1.2.0	Advice	The activity associated with receiving or providing advice in response to a formal request. See FUND MANAGEMENT - Claims Management for records relating to advice regarding a specific claim. See General Retention and Disposal Authority <i>Administrative records</i> GOVERNMENT RELATIONS - Submissions for records relating to advice provided to Cabinet.	
1.2.1		Records relating to the provision and receipt of advice on government insurance policy or insurance matters raised at a ministerial or inter-governmental level. Includes draft and final versions of advice and briefings, as well as supporting background documentation, such as calculations and costings, discussion papers, issues papers, research reports, stakeholder submissions etc. necessary to substantiate advice.	Required as State archives
1.3.0	Claims Management	The activity associated with the receipt, handling and management of insurance claims. See General Retention and Disposal Authority <i>Administrative records</i> COMMITTEES for records relating to the establishment, management and meetings of committees, such as the Claims Committee. See General Retention and Disposal Authority <i>Administrative records</i> CONTRACTING-OUT for records relating to the contracting out of claims management services, including the establishment of contracts and agreements	

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Claims Management</i>			
		<p>with out-sourced service providers as well as monitoring and managing the performance of service providers.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i> FINANCIAL MANAGEMENT - Accounting for records relating to financial transactions (i.e. accounts payable) associated with the payment of agreed claim amounts.</p>	
1.3.1		<p>Records relating to the receipt, handling and processing of workers' compensation and public liability (personal injury) claims. Includes:</p> <ul style="list-style-type: none"> • claim forms and receipt acknowledgements • claim assessment and investigation records • legal advice • records of disputes and mediation • injury management, rehabilitation and return to work plans • records relating to the resolution of claims • advice and notifications of claim outcomes • records relating to the authorisation and payment of claim amounts. 	<p>Retain minimum of 75 years after date of birth of claimant, or 25 years after claim finalised, whichever is the longer, then destroy</p>
1.3.2		<p>Records relating to the receipt and processing of claims not relating to workers' compensation or public liability (personal injury), such as claims for loss or damage to property, claims made by homeowners in relation to defective, incomplete or uncommenced building work, or claims managed as part of government rescue packages for liquidated insurance companies such as HIH and FAI general insurance companies. Records may include:</p> <ul style="list-style-type: none"> • claim notifications, forms and acknowledgements • claim assessment and investigation records • records of disputes and mediation 	<p>Retain minimum of 7 years after claim finalised, then destroy</p>

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<i>FUND MANAGEMENT - Claims Management</i>			
		<ul style="list-style-type: none"> • records relating to the resolution of claims • legal advice • advice and notifications of claim outcomes • appeal records • records relating to the authorisation and payment of claim amounts. 	
1.3.3		Summary/systems data relating to insurance cover and claims maintained for monitoring, reporting and analysis e.g. data held in systems such as the Data Warehouse which is used to record insurance cover provided to builders, such as the builder's name, profile, type of cover and risk, and date of issue; as well as a transactional history of insurance claims, such as the date of the claim, claim descriptions, medical and other costs incurred, paid claim amounts etc.	Retain until no long required for monitoring or reporting purposes, then destroy
1.4.0	Communication & Education	<p>The activity associated with managing ongoing communications with fund members to keep them informed, promote awareness of issues and matters relevant to the administration and management of funds, and/or providing education and networking opportunities.</p> <p>See FUND MANAGEMENT - Policies & Procedures for records relating to the provision of advice, information and guidance to members and other stakeholders in the form of formal documented policies and procedures.</p>	
1.4.1		<p>Records relating to the provision of information and training to fund member agencies and/or service providers. Records include:</p> <ul style="list-style-type: none"> • newsletters, bulletins, handbooks, information packs, brochures, factsheets and other documents prepared, produced and distributed to all fund members for the purposes of announcing recent news, developments, providing general information and/or promoting awareness of fund matters • training materials, presentations, handouts, session plans, attendance lists and completed evaluation forms prepared for fund induction programs, 	Retain minimum of 7 years after action completed, then destroy

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Communication & Education</i>			
		systems training, or claims and risk management training.	
1.4.2		Records relating to the development and delivery of training materials and information and awareness products (brochures, newsletters, factsheets etc.), including internal liaison and meetings to discuss and consider content, working documents and background papers, and draft versions. Includes routine administrative records relating to the arrangement and delivery of training sessions, such as room and facility bookings, catering arrangements, invitations and training schedules.	Retain until administrative or reference use ceases, then destroy
1.5.0	Contributions & Premiums	<p>The activity associated with managing financial liability for agencies and individuals in accordance with insurance policies and certificates issued by the agency. Includes determining eligibility for insurance, issuing insurance policies and certificates, and calculating insurance premiums, deposit contributions, benchmark funding and hindsight adjustments.</p> <p>See General Retention and Disposal Authority <i>Administrative records</i> FINANCIAL MANAGEMENT - Accounting for records relating to financial transactions (i.e. accounts receivable) associated with the receipting payment of contribution and premium amounts.</p>	
1.5.1		<p>Records relating to the determination of premium rates and contribution amounts to insurance funds. Includes:</p> <ul style="list-style-type: none"> • annual data received by member agencies (such as reported incurred costs) • calculations, estimates, forecasts and industry benchmark rates • advice, reports and assessments received from actuaries • pricing structures • contribution and premium notices sent to members • notifications and advice to members regarding changes to premiums and contributions. 	Retain minimum of 7 years after action completed, then destroy

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Insurance Coverage</i>			
1.6.0	Insurance Coverage	<p>The activity associated with developing statements of cover and/or insurance policies which detail the types of claims that funds are required to pay out, as well as managing associated applications for insurance cover, including insurance eligibility applications.</p> <p>See FUND MANAGEMENT - Claims Management for data held in systems, such as the Data Warehouse, which captures information relating to insurance cover provided to builders, as well as a transactional history of insurance claims.</p> <p>See General Retention and Disposal Authority <i>Administrative records COMMITTEES</i> for the establishment, management and meetings of underwriting committees, working groups and taskforces.</p> <p>See FUND MANAGEMENT - Contributions & Premiums for records relating to the calculation of insurance premiums.</p>	
1.6.1		Final versions (master set) of statements of cover and/or insurance policies which outline the types of claims the fund is required to pay out.	Retain minimum of 7 years after expiry or termination of statements or policy, then destroy
1.6.2		Records relating to the review and development of final statements of cover and/or insurance policies. Includes drafts distributed for stakeholder comment and review, and working papers required to substantiate final documents.	Retain minimum of 7 years after action completed, then destroy
1.6.3		<p>Records relating to the determination of insurance eligibility. Includes:</p> <ul style="list-style-type: none"> • eligibility application forms and supporting documentation • records documenting the assessment of applications • liaison and correspondence with applicants • notification of eligibility approval or refusal, including reasons for decisions 	Retain minimum of 2 years after action completed, then destroy

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Insurance Coverage</i>			
		<ul style="list-style-type: none"> • certificates of eligibility • records of eligibility reviews, such as notifications and advice of review outcomes. 	
1.6.4		<p>Records relating to the receipt and processing of applications for certificates of insurance for building projects (by builders and contractors). Records may include:</p> <ul style="list-style-type: none"> • application forms • records of application assessments • deeds of indemnity • advice and notifications to applicants • certificates of insurance (project certificates). 	Retain minimum of 10 years after expiry or termination of certificate, then destroy
1.7.0	Investments	The activity associated with investing funds. Includes the development of investment strategies, and monitoring and reporting on investment performance.	
1.7.1		<p>Records relating to the management of investment portfolios. Includes:</p> <ul style="list-style-type: none"> • investment agreements • records relating to the analysis of investment options and development of investment strategies • investment reports and statements, including investment performance reports • investment advice from and liaison and meetings with investment managers/agencies. 	Retain minimum of 7 years after action completed, then destroy
1.8.0	Policies & Procedures	The activity associated with developing and reviewing directions, policies, procedures, guidelines and other standard methods of operating in relation to fund matters.	

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Policies & Procedures</i>			
1.8.1		Final versions of policies and procedures supporting the administration and management of insurance funds, such as underwriting guidelines, eligibility guides, complaint procedures and rating and assessment toolkits.	Retain minimum of 7 years after superseded, then destroy
1.8.2		Records relating to the development of policies and procedures, including working documents and background papers.	Retain minimum of 2 years after action completed, then destroy
1.9.0	Reinsurance	The activity associated with purchasing insurance from another insurance company in order to reduce exposure to risk, in return for premiums paid. See General Retention and Disposal Authority <i>Administrative records</i> COMMITTEES for the establishment, management and meetings of underwriting and reinsurance committees, working groups and taskforces.	
1.9.1		Records documenting the purchase and renewal of reinsurance, including reinsurance policies, renewal notices and liaison with reinsurers.	Retain minimum of 7 years after expiry or termination of policy, then destroy
1.10.0	Reporting	The activity associated with reporting on the operation, performance and risks of funds administered and managed by the agency. See FUND MANAGEMENT - Investments for records relating to reports on the performance of investments. See General Retention and Disposal Authority <i>Administrative records</i> CONTRACTING-OUT for records relating to the monitoring of and reporting on performance of service providers.	
1.10.1		Final versions of reports on the operation and performance of funds, including:	Retain minimum of 15 years after

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No	Function/Activity	Description	Disposal Action
<i>FUND MANAGEMENT - Reporting</i>			
		<ul style="list-style-type: none"> • biannual reports on the operation of funds • financial statements on the performance and position of funds • routine reports provided to scheme administrators • risk management reports. 	action completed, then destroy
1.10.2		Monthly claims reports prepared for fund members, and other ad hoc reports which provide extracts of data held within claims management or related systems.	Retain until administrative or reference use ceases, then destroy
1.10.3		Records relating to the development of final reports and statements, including major drafts, calculations, background and working papers etc.	Retain until administrative or reference use ceases, then destroy
1.11.0	Risk & Compliance	<p>The activity associated with identifying, assessing and reviewing risks associated with the management and administration of funds, as well as ongoing monitoring to ensure compliance with fund requirements and processes.</p> <p>See FUND MANAGEMENT - Reporting for risk management reports.</p> <p>See FUND MANAGEMENT - Actuarial reviews & assessments for records relating to the provision or receipt of risk management advice.</p>	
1.11.1		<p>Records relating to audits of fund processes and transactions. Includes:</p> <ul style="list-style-type: none"> • records relating to the planning of audits, including liaison with auditing bodies • minutes and notes of meetings and interviews • draft and final audit reports. 	Retain minimum of 7 years after action completed, then destroy

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FUND MANAGEMENT - Risk & Compliance

1.11.2		<p>Records relating to the identification and assessment of risks associated with fund processes and transactions, as well as the establishment and implementation of projects set up to monitor compliance and reduce risks associated with fund activities. Includes:</p> <ul style="list-style-type: none">• risk assessments and reviews• project plans• compliance monitoring plans and reports• remedial action, and• risk registers.	Retain minimum of 7 years after action completed, then destroy
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