# Regulatory Impact Statement

## Discontinuing residual levies in ACC's levied Accounts

## Agency Disclosure Statement

This Regulatory Impact Statement (RIS) has been prepared by the Ministry of Business, Innovation and Employment (MBIE).

*The General Manager, Strategic Policy branch and the Regulatory Impact Analysis Review Panel have reviewed the attached Regulatory Impact Statement (RIS) prepared by the Ministry of Business, Innovation and Employment. They consider that the information and analysis summarised in the RIS* ***partially meets*** *the criteria necessary for ministers to fairly compare the available policy options and take informed decisions on the proposals in this paper. This is because there has been a lack of consultation on the specific options considered.*

It provides an analysis of options to remove the 'residual portion' of levies paid in respect of the three levied Accounts – the Earners' Account, the Motor Vehicle Account, and the Work Account. The residual proportion refers to levies collected to fund the ongoing cost of claims incurred in years when ACC was operating on a pay as you go basis, and was not collecting funds to meet the lifetime costs of injuries occurring in those years.

Actuarial forecasts have been used to estimate when sufficient levies will be collected to meet the ongoing costs of claims sustained between 1 April 1974 and 1 July 1999, when ACC was funded on a "pay as you go" basis (meaning levies collected each year were only intended to fund the costs of injuries occurring in that year). While actuarial forecasts aim to provide the most accurate prediction of future levy rates, based on a number of factors, changes to these factors from year to year will change the level of funding that ACC requires to offset its liabilities, and will affect the length of time for which funding is required.

The Cabinet paper recommends discontinuing residual levies earlier than previously anticipated and introducing a stronger governance and transparency framework for ACC funding and the setting of levies. The latter proposal does not require a RIS according to the government's Regulatory Impact Analysis framework.

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# A. Status Quo

## Background

1. This RIS considers the removal of the 'residual portion' of the levies paid in respect of ACC's three levied Accounts – the Earners' Account, the Motor Vehicle Account, and the Work Account. In order to understand what the 'residual portion' is and why it exists, the funding requirements for each of the levied Accounts, and relevant changes that have been made to this over the years are described below.

*How ACC is funded*

2. ACC is a Crown agent providing comprehensive, no-fault personal injury cover to all New Zealand residents and visitors to New Zealand.

3. The Accident Compensation Act 2001 (the AC Act) requires ACC to maintain and operate five separate Accounts that fund entitlements and the operation of the Corporation. Each Account has a specified purpose, application and source of funds set in legislation, and revenue and expenditure must be clearly attributed to each Account. The Accounts are funded by levies, Government appropriation, or a mixture of both.

*Funding requirements for the levied Accounts*

4. The AC Act requires levy rates to fully fund each Account having regard to uncertainty in forecasting and levy stability. Full funding means that ACC must aim to hold sufficient assets to cover the lifetime cost of claims that have already occurred, regardless of when those costs will be paid. This means that in general, levy contributions in a given year match the expected lifetime cover and entitlement commitments of injuries that occur in that year (i.e. levies reflect long-term expected costs).

5. Fully funding the commitments of a long tail insurance scheme, such as ACC, involves making forecasts for many years into the future.[1] As a consequence, forecasts of the outstanding claims liability of any given year will fluctuate with changes in economic conditions and operational performance (for example, changes in discount rates and rehabilitation effectiveness). Levy rates must therefore also give consideration to the over- or under-funding of claims in previous levy years to return Accounts to target solvency (asset to liability ratio) over time. Essentially, this involves incorporating an additional amount into the levy rate, or reducing the levy rate by a set amount. Because there is a direct trade-off between maintaining solvency and maintaining stability in levy rates (two important principles of the ACC scheme), ACC has applied a five year funding horizon to smooth these surpluses/deficits in recent years.

*Transitioning from pay-as-you-go to full funding*

6. ACC has not always operated on a fully funded basis. Prior to 1999, levies were collected on a 'pay as you go' (PAYG) basis. This meant levies collected each year were set to cover expected costs in the upcoming year (of existing claims and expected new claims), rather than the lifetime cost of new claims. There were a number of reasons for the transition to full funding. In

[1] The most serious injuries can result in the delivery of support from a person's birth and throughout their lifetime.

particular, full funding provides greater intergenerational equity since those covered by the Scheme for a given year fund the expected lifetime cost of claims from injuries incurred during that year, rather than having them covered by future levy payers as costs arise over time.

*The residual portion – collecting levies to fund the ongoing cost of claims incurred during the PAYG period*

7. As a result of the transition from PAYG to full funding, a 'residual portion' for each Account is collected each year to meet the ongoing costs of claims incurred during the PAYG funding period, between 1 April 1974 and 1 July 1999 (hereafter referred to as the outstanding residual claims liability).

8. The AC Act currently requires a fixed 'Residual Amount' (the value of the unfunded outstanding residual claims liability, as estimated at 30 June 2009) to be collected for each Account by the end of 2018/19. The Residual Amount for each Account is a forecast only, meaning more or less funding could still be needed to meet pre-1999 liabilities. The legislation does not allow for changes to the specified Residual Amounts, which are outlined in the table below.

**Table 1: Specified Residual Amount to be collected by the end of the 2018/19 levy year**

| | Residual Amount |
|---|---|
| **Work Account** | $3,404,206,000.00 |
| **Earners' Account** | $457,089,112.00 |
| **Motor Vehicle Account** | $2,883,946,262.00 |

9. This requirement was introduced in 2014, following a review of the original funding goal which required the outstanding residual claims liability to be fully funded by 30 June 2014. The decision to specify a fixed Residual Amount to be collected, and extend the full funding date beyond 2014 out to the 2018/19 levy year was considered, on balance, the most suitable approach to dealing with the inherent uncertainty in setting funding requirements and the anticipated funding pressures in coming out-years.

10. In each of the Work, Earners' and Motor Vehicle Accounts, the total levy an individual is required to pay comprises of a:
    - current portion – this funds post-1999 claims relevant to each Account, including the estimated lifetime cost of new claims expected in the upcoming year and an adjustment (which may be positive or negative) to account for any surpluses or deficits in funding from previous years (paragraph 9 refers), and
    - residual portion – this contributes to the funding of the pre-1999 liabilities and is based on the specified Residual Amount.

11. Table 2 below outlines what each Account pays for and the source of its funding, including the demarcation between the residual portion and the current portion.

**Table 2 – Overview of ACC's levied Accounts: residual levies**

| Account | What the residual portion pays for[2] | What the current portion pays for | How the residual portion is distributed across levy payers | How the current portion is distributed across levy payers |
|---|---|---|---|---|
| **Work Account - Levies on employers and self-employed** | Work-related injuries incurred between 1 April 1974 and 1 July 1999 (not including motor vehicle injuries) | Work-related injuries incurred after 1 July 1999 (not including motor vehicle injuries) | Levies spread across businesses based on 2005/06 risk relativities for each Levy Risk Group (LRG)[3] | Levies spread across businesses based on current risk relativities for each LRG |
| | Earners' non-work, non-motor vehicle-related injuries incurred between 1 April 1974 and 1 July 1992 (levies for the corresponding current portion are funded through the Earners' Account) | | Levied at a flat rate across all businesses | |
| **Earners' Account - Levies on the income earned by employees and the self-employed** | Earners' (employees and self-employed) non work-related injuries incurred between 1 July 1992 and 30 June 1999 | Earners' (employees and self-employed) non work-related injuries incurred after 1 July 1999 | Levied on earners at a flat rate per $100 of liable earnings (*the same approach is taken to current and residual portions*) | |
| **Motor Vehicle Account - Levies on motor vehicle owners** | Injuries to road users that occurred before 1 July 1999 | Injuries to road users that occurred after 1 July 1999 | Levy included in the price of petrol and the motor vehicle licensing fee (*the same approach is taken to current and residual portions*) | |

*The split between the residual and current portions does not affect the overall levy revenue required to fund each Account*

12. The legislative requirement to collect the fixed Residual Amounts has no bearing on the total levy revenue required to fund each Account:
    - Because outstanding residual claims liabilities reside in the same Account as post-1999 outstanding claims liabilities, in practice levies are collected to ensure that assets are held to cover the expected lifetime costs of claims in each Account as a whole – whether or not they were from the PAYG era is irrelevant.
    - This means that removing the distinction between the residual and current portion will neither increase nor decrease the levy revenue required to fund each Account because it does not amount to a change in the funding requirements for the levied Accounts.

[2] Prior to 2010, the residual portion of the Work Account had been funded by a separate Residual Claims Account. The Residual Claims Account was incorporated into the Work Account from 3 March 2010, following the passage of the Accident Compensation Amendment Act 2010.
[3] ACC create Levy Risk Groups (LRGs) by grouping together external business activities (classification units (CUs)) with a similar risk of work-related injury. Levy rates are assigned to each LRG based on the cost of work-related injuries that have occurred, weighted against the liable earnings of levy-payers within each CU, i.e. large high-risk businesses will pay higher levy rates than small, low-risk businesses.

- The "residual portion" is therefore notional when it comes to the overall revenue collected through the levied Accounts. Removing the residual portion will not mean a levy reduction for levy payers at the aggregate level, although there are distributional impacts of discontinuing Work Account residual levies (discussed further below from paragraph 20).

# B. Problem Definition

*The outstanding residual claims liability is now expected to be fully-funded before 2019*

13. The problem with the fixed residual amount as specified under the AC Act is that the policy intent of the fixed residual amount – fully fund pre-1999 liabilities – is expected to be achieved much sooner than the date specified in legislation. ACC's recent revaluations of the outstanding residual claims liability for the Work, Earners' and Motor Vehicle Accounts are lower than the fixed amounts specified under the AC Act. Based on data as at 31 January 2015, maintaining the status quo arrangement will result in the over collection of residual claims of:
    - $852 million for the Work Account
    - $155 million for the Earners' Account
    - $468 million for the Motor Vehicle Account

14. The lower revalued amount is due to a significant improvement in ACC's claims management, regulation changes reducing the cost of claims, changes to discount rates, and the better than expected performance of the ACC investment portfolio since 2009.

15. Continuing to collect residual levies up until the date specified in legislation when it is no longer required is problematic because the collection of residual levies induces distributional consequences in the Work Account, which create constraints on equity and incentives (these are discussed in paragraph 20-24 below). These 'distortions' may be justified when funding is still needed to meet the outstanding residual claims liability (as discussed below). They can, however, no longer be justified once sufficient residual levies have been collected to offset the outstanding residual claims liability.

*The residual portion dilutes the financial incentives to employers of the Work Account*

16. ACC currently offers voluntary financial incentive programmes to businesses. In particular, the Accredited Employers' Programme (AEP) allows businesses to take on the cost (including management) of their own workplace injury claims. Other ACC incentive programmes are the Workplace Safety Discount (WSD) programme and Workplace Management Safety Practices (WSMP) programme, which reward businesses that meet certain audit requirements.

17. Under these programmes, employers that meet certain criteria receive a discount on their Work Account levy. However, this discount only applies to the current portion of their levy; employers that are part of the AEP must still pay the residual portion of the levy. Similarly, only the current portions of levies are adjusted to reflect the individual claims performance of larger employers through the experience rating programme. In essence, as the total Work Account levy falls, and the fixed residual portion is maintained, the effectiveness of incentive programmes is reduced. To illustrate this, in 2009 the residual portion of the Work Account levy was set at $0.31, making

it 24.6% of the average total levy of $1.26 at the time. Since then, the total levy has fallen to $0.90 for 2015/16, meaning that the $0.31 residual portion now makes up 34.4% of the average Work Account levy.

*The differences in the way the current and residual portions are calculated impacts on the levy contributions made by individual levy payers in the Work Account*

18. While the split between the current and residual portion is of no significance to the total levy revenue required to fund each Account, it does impact on the levy rates that various businesses make towards the Work Account. This is due to the differences in the way current and residual portions are calculated (Table 2 refers). The levy contribution a business will make towards the residual portion (based on 2005/06 risk relativities) would likely differ if it was based on current risk relativities.

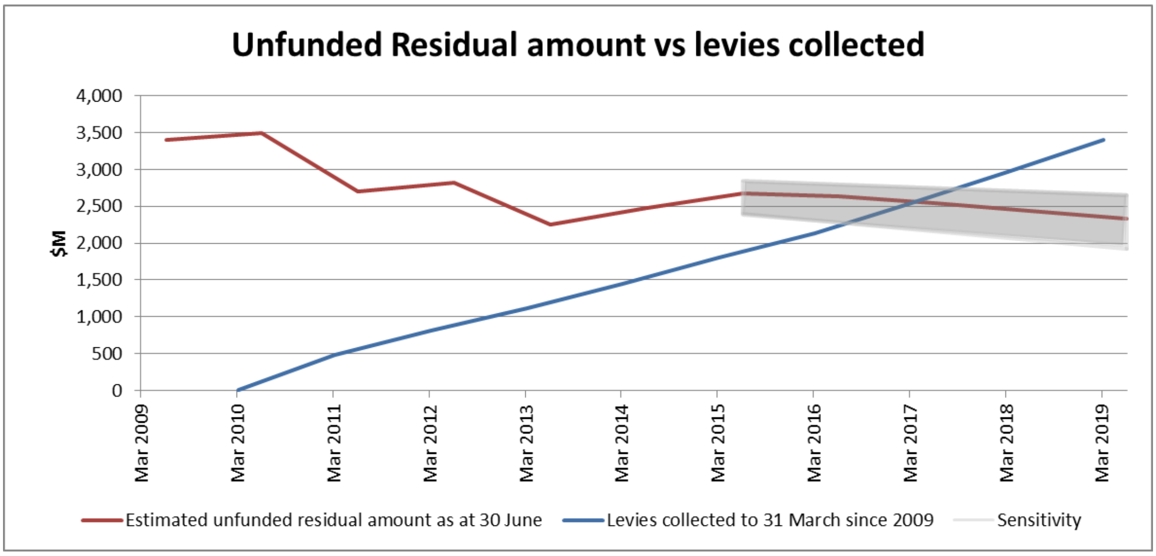
19. The rational for "freezing" the risk relativities was to recognise the difficulty involved in correctly setting the relativities, improve levy stability, and recognise that the link between the self-employed and employers responsible for the pre-1999 residual claims and current levy payers will increasingly weaken over time. This ensures that those businesses that were responsible for the injuries incurred pre-1999, including those that partake in ACC's financial incentive programmes (e.g. AEP) pay for the associated costs. This balances considerations of pragmatism, fairness and levy stability.

20. On the other hand, the residual and current portions of the Earners' and Motor Vehicle Accounts are levied on the same bases (Table 2 refers). This means that the distinction between the residual and current portions makes no tangible difference to the rates paid by levy payers of these Accounts. Because of this, further analysis will only focus on the implications of discontinuing residual levies in the Work Account.

*Over collection of residual levies in the Work Account*

21. Under current projections, based on January 2015 data, sufficient funding to cover residual liabilities in the Work Account is expected to be collected early in the 2017/18 levy year. Moreover, the sensitivity analysis presented in the figure below suggests that sufficient funding would be collected through residual levies partway through the 2016/17 or 2017/18 levy years.

**Figure 1 – Progress in collecting residual levies to offset the value of residual liabilities in the Work Account**




22. The approach to distributing the value of the residual portion across businesses can be justified until the value of the liabilities it seeks to offset has been collected. Continuing to collect residual levies in excess of what is required to meet the cost of residual liabilities means ACC is left to return the Work Account to target solvency by retaining the residual portion at the "locked in" rate and then fully offsetting it through a negative funding adjustment.

23. Some businesses will be paying significantly more than their fair share towards residual levies, including employers in the AEP and industry classes whose injury risk has reduced since 2004/05, when residual relativities were set.

24. While Figure 1 is indicative of the most recent information and actuarial forecasts, it cannot be said with certainty when the cost of residual liabilities will in fact be fully offset by residual levies. Moreover, because pre-1999 claimants will remain active well beyond 2018/19, the value of the expected lifetime cost of these outstanding residual claims liabilities will fluctuate beyond 2018/19 to reflect changes in economic conditions and scheme performance (this was discussed in paragraph 9).

*Discontinuing residual levies under the status quo or otherwise will have inevitable distributional consequences*

25. While discontinuing residual levies does not mean that the amount previously collected as residual levies would be subtracted from each business's levy invoice, it will lead to a redistribution of the contributions that various businesses make towards the Work Account, given the differences in the way current and residual levies are calculated.

26. If the residual portion was no longer collected, the full Work Account levy would move to be risk rated against current risk relativities and the rate paid by a business will increase or decrease depending on whether their current risk relativity is worse or better than it was in 2005/06.

27. Accredited employers account for approximately 24 percent of business' liable earnings. Maintaining the status quo of collecting the fixed residual amount will result in accredited employers paying approximately $204.48 million to cover the cost of PAYG claims that have already been funded. Therefore, discontinuing residual levies early will provide accredited employers with significant gains, felt through a levy reduction around the size of what they currently pay in residual levies. However, because the same total revenue needs to be collected through Work Account levies, a small increase to the average Work Account levy rate would be required to make up the difference. This impact amounts to a 2 cent increase to the average Work Account levy. This redistribution is really a question of timing; it will occur in 2019 under current legislation, should the status quo remain.

28. These distributional impacts will be masked to some extent if average Work Account levies are falling concurrently to discontinuing residual levies. It should be noted that, while it is more likely than not that ACC will recommend a decrease in average levy rates in the Work Account in 2016/17, average levy reductions are unlikely to significantly dilute the distributional impacts of discontinuing residual levies because the scope for levy reductions is now smaller. This is largely due to significant reductions in discount rates increasing the value of the outstanding claims liabilities.

# C. Analysis of options against objectives

## Objectives

29. The key objective is for the equitable collection of levies, which is compromised by the requirement to collect residual levies until the 2018/19 levy year.

30. In order to achieve this objective, options for removing the residual portion of levies at an earlier date are assessed against criteria that guide best practice levy setting. The collection of residual levies is an element of the broader framework for collecting ACC levies and it is therefore appropriate to apply general levy setting criteria to assess the options.

31. Criteria for assessing options are:

- **Transparency and certainty**: The process and factors that feed into the setting of levies should be as transparent and as predictable as possible, particularly to levy payers.
- **Administrative costs**: Transition costs and administration costs for collecting levies should be minimised.
- **Flexibility and durability**: Processes and factors for setting levies should reflect the current context, including best estimates of cost and solvency requirements.
- **Proportionality**: Levy payers should, as much as possible, pay levies that reflect their share of the costs. This relates to the problem – "*Discontinuing residual levies under the status quo or otherwise will have inevitable distributional consequences"* and *"Over collection of residual levies in the Work Account*".
- **Effectiveness of incentives**: Consideration of the impact of levies to incentivise the prevention of injury and the sustainability of the AEP prior to the removal of the residual.

This relates directly to the problem – "*The differences in the way the current and residual portions are calculated impacts on the levy contributions made by individual levy payers in the Work Account*".

32. 'Proportionality' has been given the greatest weighting in the options analysis below because the primary problem with the status quo arrangement is the constraints it places on equity and incentives. 'Administrative cost' has been given the lowest weighting.

33. The question of collecting sufficient overall funding through levies to meet ACC's costs is not relevant to this analysis (see discussion of how residual levies are notional in paragraph 16 above). Nor is consideration made of balancing issues such as levy stability against other funding and levy objectives, again because residual levies do not impact on overall levy revenue required for each Account, but also because the redistribution of Work Account levies that will occur when residual levies are discontinued is a matter of timing.

## Options

### Option A – Status quo

34. The AC Act requires that residual levies must be required to collect the value of the residual amounts specified in the *Gazette* by 31 March 2019 for the Work and Earners' Accounts, and by 30 June 2019 for the Motor Vehicle Account.
35. To date, residual levies have been collected at a rate that evenly spread the collection of the residual amount over the period to the end of the 2018/19 levy year.

### Option B – Discontinue at current best estimate

36. This option would involve discontinuing residual levies at the end of the 2016/17 levy year, with a small amount of the residual liability uncollected ($124 million, or 4% of the $3.4 billion residual amount gazetted in March 2010). The proposal would be included in an AC Amendment Bill being prepared for introduction to the House in May 2015.

### Option C – Discontinue at a time to be specified closer to the time (preferred option)

37. This option would involve discontinuing residual levies at an unspecified date. Effectively, this option gives the Government the option to discontinue residual levies before the 2017/18, 2018/19 or 2019/20 levy year commences. The Government would be given the authority to specify the date, subject to a number of constraints that take account of:

- Actuarial valuations of the liability that has not been met by residual levies
- Sensitivity of the assumptions used in that valuation, given uncertainty of economic factors.

38. The proposal would be included in an AC Amendment Bill being prepared for introduction to the House in May 2015, amending the legislation to allow a date for discontinuing residual levies to be specified through Order in Council.

## Practical constraints on the selection of options

39. The selection of options was constrained by the following assumptions:

- The legislation required to discontinue the collection of residual levies cannot be passed immediately. Given that current projections do not forecast over-collection to occur until the end of the 2016/17 levy year, time constraints are not sufficiently tight to justify the use of Budget legislation.

- In order for a decision to discontinue residual levies to be incorporated into the levy consultation process, the decision would have to be made about one year in advance. This means that any decision to discontinue residual levies at a specific date would be based on projections. An implication of this constraint is that in order to vary the level of residual levies to be collected the year before it is discontinued, such a decision would have to be made nearly two years prior to residual levies being discontinued.
- It is inevitable that the value of residual claims will continue to vary, even after sufficient residual levies have been collected based on data at the time or projections. This cannot be helped and it is assumed that these future fluctuations in the value of residual (pre-1999) liabilities would be managed together with fluctuations in the value of non-residual (post-1999) liabilities.

## Assessment of options against objectives

| Option | Transparency and certainty | Administrative cost | Flexibility and durability | Proportionality | Effectiveness | Summary |
|---|---|---|---|---|---|---|
| <u>**Option A**</u><br><br>**Status quo** | **High**<br>Provisions are in legislation and implications are made clear in levy consultation documents ahead of each levy year | **Low**<br>Requires residual levies to be calculated, consulted on, and collected from levy payers for a longer period (administration and transaction costs), without achieving any concrete purpose once residual liabilities have been offset by residual levies | **Low**<br>Leaves the setting of levies very inflexible to changing conditions, effectively requiring residual levies to be collected at a rate set many years in the past even though it is clear that circumstances have changed | **Low**<br>Means that businesses will be paying levies too much towards outstanding residual liabilities which are based on an outdated basis even after residual liabilities have been offset by residual levies, undermining the fairness of Work Account levies | **Low**<br>The fairness of levies and the effectiveness of levy incentives are undermined once residual liabilities have been met by residual levies. | Compares poorly against the objectives |
| <u>**Option B**</u><br><br>**Discontinue at current best estimate** | **High**<br>Change in approach would be debated in the House and implications would be made clear in levy consultation documents ahead of each levy year | **High**<br>Administration and transaction costs would cease once residual liabilities have been offset by residual levies | **Medium**<br>Adjusts residual levy policy to reflect today's situation (better than reflecting the 2009 situation) but does not leave room for movement in coming years | **Medium**<br>Levies would be reverted to current risk relativities and submitted to incentive programmes once the rationale to collect residual levies expires based on current best estimate<br>There is a risk that residual levies are discontinued early or late, partially undermining the proportionality of this option | **Medium**<br>Levy fairness and effectiveness of incentive programmes is improved because they are aligned with discontinuing residual levies at the right time | Compares well against the objectives |
| <u>**Option C (preferred)**</u><br><br>**Discontinue at a time to be specified closer to the time** | **Medium to high**<br>Change in approach would be debated in the House and implications could be made clear in levy consultation documents ahead of each levy year. This approach requires an additional decision point, but the Order in Council process has transparency built in.<br>Time will need to be built into the decision making process to specify the end date, to ensure that the decision is reflected in the relevant levy consultation documentation. | **High (*same as Option B*)**<br>Administration and transaction costs would cease once residual liabilities have been offset by residual levies | **Medium to high**<br>Allows residual levy policy to be flexible to changing conditions to an extent – flexibility constrained by the need to make a decision a year in advance to feed into levy consultation process | **Medium (*slightly better than Option B*)**<br>Levies would be reverted to current risk relativities and submitted to incentive programmes once the rationale to collect residual levies expires *based on valuations closer to the time*<br>There is a risk that residual levies are discontinued early or late, partially undermining the proportionality of this option | **Medium (*slightly better than Option B*)**<br>Levy fairness and effectiveness of incentive programmes is improved because they are aligned with discontinuing residual levies at the right time | Compares well against the objectives.<br><br>Compared to Option B, this option rates better on flexibility and durability, but involves an additional risk on transparency and certainty |
| **Summary** | Option B ranks highest | Options B and C rank highest | Option C ranks the highest | Option C ranks the highest | Option C ranks the highest | |

### Preferred option

40. Option C is preferred. It rates highly against all objectives, and higher on flexibility and durability than the second best option (B). There is a risk that Option C could result in less transparency and certainty than Option B, but this can be mitigated and the Government has incentives to ensure that an Order in Council is made in time to allow the decision to be incorporated into the relevant levy consultation process.

41. Option A, the status quo, rates poorly against most objectives.

## D. Implementation

42. The preferred option requires an AC Amendment Bill to be passed early in 2016, at the latest. This would give the Government options for discontinuing residual levies at the beginning of the 2017/18, 2018/19, or 2019/20 levy year through Order in Council.

43. Given the significant lead time, ACC will have time to prepare for consulting on, and implementing, levies without residual portions.

### Risks and mitigation

44. It is possible that amendments to the AC Act do not pass in time, in case residual levies are determined in early 2016 to be best discontinued at the beginning of 2017/18. If this occurs, it might be possible to pass the necessary amendments through other legislative vehicles in time for it to be factored into the levy consultation process.

45. It is possible for the valuation to change in the months before residual levies are scheduled to be discontinued if there is a significant shock, after the requisite Orders in Council have been made. This cannot be helped if the proper levy consultation process is to be met. Moreover, this risk occurs every year that ACC levies are considered.

46. It is possible that the necessary valuations and Orders in Council are not made in time for the levy consultation process before the levy year when residual levies are determined to be discontinued. The Government will have to be mindful of the required timing, and ensure that the necessary actuarial review is conducted in time to allow the process to run.

## E. Consultation

47. This proposal was developed with ACC input. The Treasury, the other key government agency, was informed as the proposal was developed, and has been consulted on the draft Cabinet paper and RIS.

48. The New Zealand Association of Accredited Employers has been making representations to the Minister for ACC on this issue for some years. In particularly, highlighting that it would be unfair for Accredited employers to continue to pay residual levies once the value of the outstanding residual claims liability has been offset and that the current situation effectively eliminates financial incentives for joining the AEP.

49. There will be further consultation on this proposal as the AC Amendment Bill progresses through the House.

## F. Monitoring, Evaluation, and Review

50. The successful implementation of this proposal will be monitored and reviewed under the usual arrangements for ensuring that ACC levies are accurately and effectively implemented.
51. There is no need for a specific evaluation to occur, since the objectives of the proposal would be achieved once it is successfully implemented, and outcomes monitored as set out above.