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Contributions to *riskmatters* on any subject relating to insurance or risk management can be forwarded via email to trmf@treasury.tas.gov.au

Congratulations

Benzulla Actuarial Pty Ltd has been recognised for the second year in a row as the BRW Client Choice Awards best actuarial firm.

Benzulla provides actuarial advice to the Tasmanian Risk Management Fund.

Welcome

Welcome to the April 2008 edition of the Tasmanian Risk Management Fund newsletter, *riskmatters*, published by the Department of Treasury and Finance.

Tasmania is the first Australian jurisdiction to mandate a minimum safety standard for its entire vehicle fleet. Information on the new policy is on page 2.

The obligation on drivers and agencies to appropriately maintain government motor vehicles is highlighted on page 3, and advance notice is given of new reporting requirements for business travel cover on page 4.

Also in this issue are details of a Contract Works and Legal Liability Insurance information session to be held on 14 May 2008 (see below).

Di Hope
Editor

Contract works insurance

Contract Works and Legal Liability Insurance is a principal arranged policy covering both civic and civil works construction activities.

This policy is not currently covered by the Fund Administration Agent contract with Marsh Pty Ltd, and has historically been a separate arrangement. However, as part of the Fund's recent tender process for fund administration services, contract works insurance brokerage will be incorporated into the new contract with Marsh (the successful tenderer) from 1 July 2008.

Marsh will be holding a **Contract Works and Legal Liability Insurance information session** on 14 May 2008 at 10.30 am at Treasury. If you are interested in attending, contact Kyle Lowe at Treasury on 6233 5440 or email kyle.lowe@treasury.tas.gov.au by 7 May 2008.

Vehicle safety policy for government fleet

Tasmania is the first Australian jurisdiction to mandate a minimum safety standard for its entire vehicle fleet.

To be included in the Tasmanian Government vehicle fleet contract from 1 July 2008, vehicles must meet the following minimum safety standard:

- have a minimum four-star Australasian New Car Assessment Program (ANCAP) safety rating; or
- if no minimum 4-star ANCAP rating, comply with a set of minimum mandatory safety features.

The policy, developed by the Department of Infrastructure, Energy and Resources, also includes a further set of 'optional' safety features and dates to transition these to mandatory.

The Government is taking a leadership role on vehicle safety and will encourage other governments, local government and large fleets to make a commitment to improving the safety of their fleets and mandate minimum safety standards for all of their vehicles. This focus on vehicle safety will put pressure on vehicle manufacturers to include more safety features as standard in new vehicles for all consumers.

As the policy is effective from 1 July 2008, information will be available prior to this date on the Tasmanian Government Vehicles website. The Department of Infrastructure, Energy and Resources is currently in the process of developing a guide on vehicle safety. The guide will encourage officers to purchase a vehicle that includes some of the optional safety features where possible.

2008-09 TRMF contributions

The overall contribution pool for 2008-09 will increase by about 3.6 per cent, mainly due to higher contributions in the general property and medical liability areas. However, contributions will decrease for some risk areas.

There will be a decrease (in real terms) in the personal injury risk category (covering workers compensation and personal accident) due to continuing stability.

General property contributions will increase to about the same level as 2006-07.

There will be a reduction in the per vehicle contribution for motor fleet (leased) vehicles and for miscellaneous (non-fleet) vehicles.

There will be a reduction in agency contributions for general liability compared to previous years.

Medical liability contributions will increase by 8 per cent.

Agencies were advised of their 2008-09 TRMF contributions in March 2008 to assist with budgeting. It is anticipated that agencies will be invoiced in October 2008.

Please note

Agency restructures

Marsh is working with those agencies impacted by the recent Government restructure to ensure that the necessary changes are reflected in STARS.

Treasury has advised affected agencies of the process for reviewing 2008-09 contributions.

Motor vehicle use

OH&S Issue

Driver/agency responsibilities

Agencies and drivers are reminded of their obligation to maintain vehicles in accordance with the Fleet Management Handbook - December 2007.

Vehicle Servicing, Maintenance and Breakdown Assistance

Agency responsibilities

- ensure that vehicles are kept clean and tidy;
- ensure vehicles are serviced regularly according to manufacturers' specifications and service manuals are endorsed by the service provider;
- only use approved service centres for repairs and servicing;
- maintain logbooks; and
- ensure odometer readings are provided to the service station attendant when refuelling.

Extract from the Government Fleet Management Handbook - December 2007

Regular servicing is required for government vehicles under warranty

Regular servicing of vehicles is a requirement under section 9(1) of the *Workplace Health and Safety Act 1995*.

Agencies that fail to implement regular scheduled maintenance of vehicles will find that their vehicles are not covered under warranty.

The Government's Fleet Manager, SGFleet (formerly Fleet Australia) has developed an improved system for notifying agency fleet managers when their vehicles are due for service.

Use of government vehicles by non-government personnel requires Head of Agency approval

The Fund will cover agencies for any legal liability arising from the use of government vehicles provided that the requirements of *Ministerial Direction No 1.1 2002 - Administration* are being met.

Private motor vehicles are not covered by the Fund

Employees or volunteers who use their private motor vehicle as part of their employment or assistance to government must ensure that the vehicle is comprehensively insured.

Further information on the use of private motor vehicles is provided in *Ministerial Direction No.1.1 2002 – Administration* at www.osscc.tas.gov.au/md/1-1-2002.pdf.

Meetings, discussions and other communication strategies

Earlier this month an informal forum involving staff from the Department of Health and Human Services, Marsh Pty Ltd (the Fund Administration Agent) and the TRMF Unit was held to discuss the purpose of the Fund and the risks covered by the Fund.

The forum was arranged at the request of DHHS and provided an opportunity for a large cross-section of staff from within DHHS to learn more about the Fund and the functions they themselves perform which support its operation.

Topics discussed at the forum included:

- cover provided by the Fund;
- roles and responsibilities – Treasury, Fund Administration Agent and DHHS;
- contributions and excess arrangements including a brief explanation of how contributions are calculated;
- the requirement for agencies to update asset registers; and
- business travel information requirements and reporting obligations.

The TRMF Unit meets informally with agencies at least once a year.

The visits provide an avenue for agencies and the TRMF Unit to raise issues about the operation of the Fund.

The TRMF Unit welcomes wide participation from agencies at these meetings. Alternatively, agencies are welcome to contact the TRMF Unit to arrange sessions for staff on the Fund, similar to that presented to DHHS staff.



Participants at the DHHS forum

Advance
notice

Business travel cover – reporting requirements

The Fund purchases business travel insurance from the private sector in order to benefit from a worldwide emergency assistance scheme.

Prior to renewal of the Fund's business travel insurance policy, agencies will be asked to provide details of their proposed or anticipated travel for 2008-09.

The current insurer has requested specific information.

During the next few weeks, the TRMF Unit will be consulting with agencies to determine how easy the information is to obtain.

TRMF meetings and notices

Occupational Health and Safety Working Group

An inter-agency Occupational Health and Safety Working Group holds meetings on an 'as required' basis, to share knowledge on occupational health and safety issues affecting government agencies.

The meetings are facilitated by the TRMF Unit.

If you would like further information about the Working Group, or would like to propose an issue for discussion, please contact Di Hope on 6233 6597 or e-mail the TRMF Unit at trmf@treasury.tas.gov.au

TRMF Steering Committee

The role of the TRMF Steering Committee is to serve as a consultative forum through which agencies can provide input into the operations of the Fund and feedback to Treasury, the Fund Administration Agent and the Actuary.

The Steering Committee is representative of the agencies participating in the Fund.

The next meeting will be held on Tuesday, **10 June 2008**.

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