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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.

Welcome

Welcome to the September 2005 edition of the Tasmanian Risk Management Fund (TRMF) newsletter, *riskmatters*, published by the Department of Treasury and Finance.

I would like to take this opportunity to thank agency personnel involved in the recent peer review of the TRMF Unit. The peer review was undertaken to review the structure and operation of the TRMF Unit. The TRMF Unit and Treasury management will be considering recommendations arising from the review.

Requests from agencies for information on how to determine appropriate levels of insurance in goods and services contracts has been a recurring issue in recent months. In response to this, the TRMF Unit, in particular Di Hope, with input from agency personnel, has developed Guidelines to assist agencies and will be facilitating a training session to introduce the Guidelines, in conjunction with Marsh and Crown Law, in early December. (See page 2 for details.)

Tony Ferrall

Chairman

Tasmanian Risk Management Fund

Steering Committee

TRMF Unit Staffing Update

Recent staff changes

Jan Wilson has been seconded to the Commissioner for Children for a period of four months, to establish the Tasmanian Early Years Foundation. Annette Wright from the Business Support Service Unit of the Department of Education has joined the TRMF Unit in Jan's absence.

Linda Voumard has replaced Sarah Wilson as part of Treasury's cadetship program.

Alison Lyne has been appointed to the position of Principal Policy Analyst with responsibility for the day-to-day management of the TRMF team.



Guidelines – Determining Appropriate Insurance Levels for Goods and Services Contracts

New guidelines have been developed to provide practical assistance when determining the types and levels of insurance that must be held by contractors providing goods and services to the government.

The key to doing this is to undertake a risk assessment for your particular contract.

The Guidelines look lengthy but don't be put off. There are three parts which can be used separately or as one comprehensive document. Take from them what you need.

Part One – Principles and Overview

Are you unsure of the types of insurance that may be required and why? Part One is designed for you.

An explanation of the types of insurance, insurance periods, insurance issues and why insurance clauses are included in contracts are included in Part One.

For example, did you know that it might be necessary to request that insurance cover run for a set period after the end of the contract?

Diagrams and examples have been included to make explanations clear.

Part Two – Guidelines for Applying a Risk Management Process to Assessing Insurable Risk Exposures

You have been asked to undertake a risk assessment to determine the level of insurance that must be held by contractors and have no idea where to start? Part Two is for you.

The Guidelines provide a step-by-step guide to identifying and assessing contract risks with practical examples provided to support the theory.

Tables suggesting minimum insurance amounts against different levels of risk have also been included.

Part Three – Tool Kit

If all you want are some simple rules and tools to follow then Part Three is for you.

Included in this part are worksheets, an insurance checklist and a glossary of insurance types and terms.

Note: the Guidelines are designed for you to take from them what you need. Agencies may choose to make changes to suit their specific requirements.

The Guidelines are a living document that we hope to enhance and further improve over time. Your feedback would be greatly appreciated.

You are invited to

visit the TRMF Web site at www.treasury.tas.gov.au/trmf to download the new Guidelines

and

**attend an introductory information session in
DECEMBER 2005**

For more information contact trmf@treasury.tas.gov.au

Defensive Driving



Whether you're driving in the increasingly heavy city traffic or you're out on the open road, it's important to drive in a low risk manner. This means not only taking responsibility for your actions but also keeping an eye on 'the other guy'.

Intersections

Most crashes occur at intersections, and within three seconds of the light changing. Follow these tips to avoid an accident:

- as you approach an uncontrolled intersection, never assume that the other driver is going to give way. Be prepared to stop and check in your rear view mirror for traffic behind you;
- when approaching a green light, be prepared for it to turn red – it may have been green for a long time;
- always look out for pedestrians;
- when stopped at traffic lights that turn green, look left and right before you drive through the intersection; and
- orange lights mean proceed with caution, **not** speed up to get through.

You can't stop on a dime

Whenever you're driving, ensure you have sufficient crash avoidance space. This is a factor of three components – perception time, reaction time and braking distance. Allow at least a 2 second gap at 60 km/h and 3 seconds at 100 km/h between you and the car in front. If you are tired or distracted, times increase. Double the gap in the wet.

Overtaking

If you are going to pass another vehicle:

- make sure you are allowed to pass;
- be certain there is no oncoming traffic;
- check all mirrors;
- look behind for vehicles that might be trying to pass you;
- be aware of and check any blind spots;
- indicate; and
- then, overtake.

Source: *motornews*, the magazine of the Royal Automobile Club of Tasmania Limited. August/September 2005.

**Advance
Notice**

Performance Review of Fund Administration Agent

Agencies will again be asked to complete a questionnaire rating their level of satisfaction with the Fund Administration Agent (FAA), Marsh Pty Ltd.

The last performance review was held two years ago, to coincide with the review of the FAA contract.

A questionnaire will be e-mailed to TRMF committee representatives on 10 October 2005 with a two-week period in which to respond.

Thank you for your assistance with this



New Guidelines available from Workplace Standards

Two new publications are available from Workplace Standards aimed at explaining how it ensures compliance with the legislation it administers.

Enforcement Policy – GB005
Prosecution Policy – GB155

Workplace Standards administers a range of acts and regulations that govern industry and workplaces. These include the *Workplace Health and Safety Act 1995* (and its regulations) and the *Industrial Relations Act 1984*, which focus on workplace safety, rates of pay and conditions of employment.

Ensuring compliance with this legislation is a large part of the work done by Workplace Standards inspectors and staff.

The above publications have been developed to provide better understanding of how this is managed, and what actions or breaches of the legislation may lead to prosecution.

Workplace Standards has updated its workers' compensation and rehabilitation information

Workers Rehabilitation and Compensation Act 1988 – Summary A4 Poster – GB014

A Guide to Workers' Compensation in Tasmania – GB112

The *Workers Rehabilitation and Compensation Act 1988* – Summary A4 Poster, provides important information for workers about parts of

the Act including:

- claiming compensation;
- notifying their employer; and
- managing the rehabilitation process, including return-to-work plans.

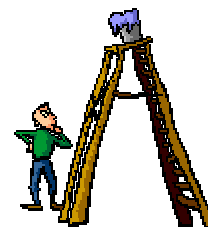
This poster is also available in a larger, A3-size pull-out in the updated '*A Guide to Workers Compensation in Tasmania*'.

This guide contains information that employers, workers and anyone else with an interest in workers' compensation would find valuable, such as:

- the responsibilities of workers and employers;
- injury management;
- rehabilitation; and
- return-to-work.



For your free copy of any of these publications, call the Workplace Standards Helpline on 1300 366 322 or go to www.workplacesafe.tas.gov.au



Fleet Management Forum

Following the success of the first Fleet Management Forum in May 2004, a second forum was held on 25 July 2005.

Agency fleet managers who attended the forum appreciated the opportunity to share information and discuss issues of mutual concern.

Guest speakers included Tony Prenter from the Department of Tourism, Parks, Heritage and the Arts, who outlined his agency’s development and implementation of policy and procedures on motor vehicle purchase and use.

Roger Gillow of Fleet Australia provided an overview of the state of the automotive market, including a summary of used car purchasing trends and the impact this has on government motor vehicle purchasing considerations.

Shane Rollins from Tasmania Police Fleet Services gave an overview of innovations introduced by the Department of Police and Public Safety to minimise fleet management costs.

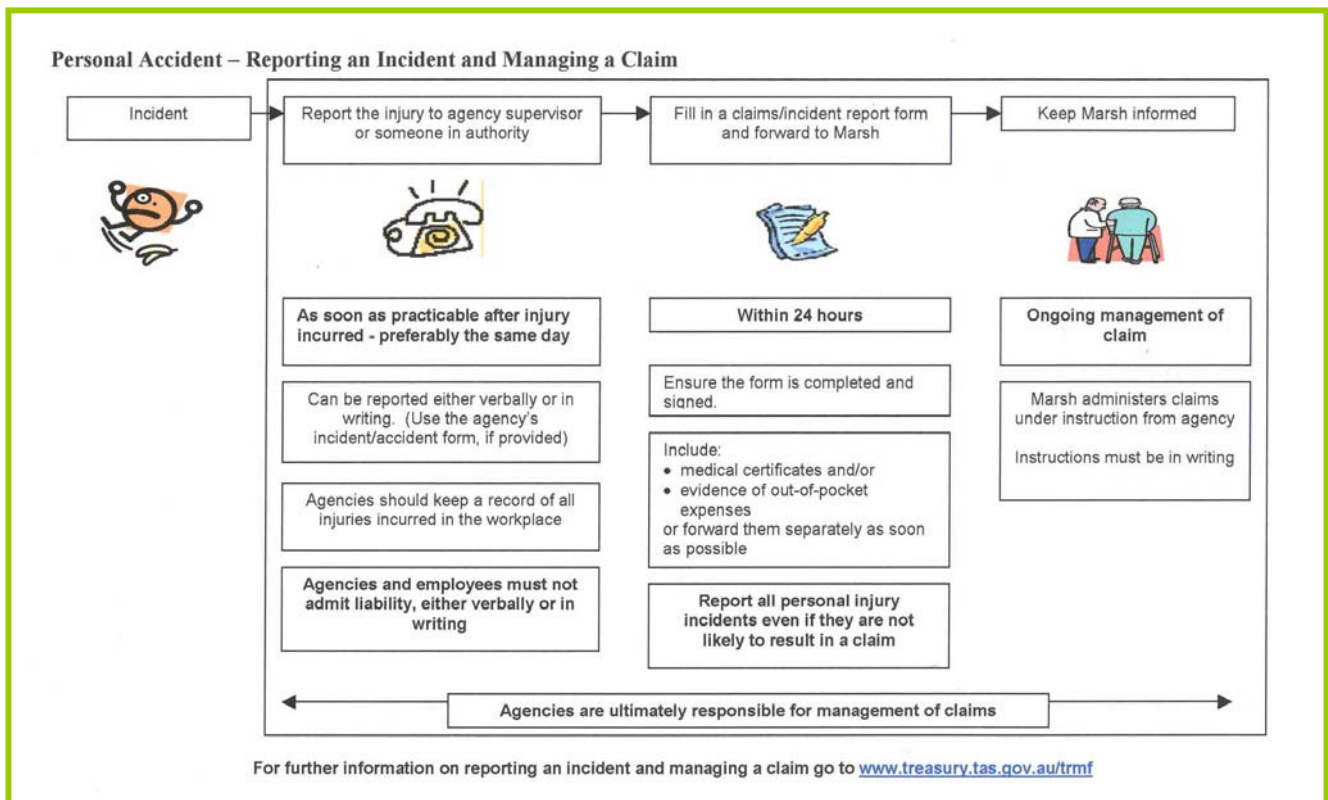
Innovations include:

- avoiding penalties for early termination of leases;
- the use of vehicle rotation; and
- raising staff awareness of the costs and benefits from maximising the use of vehicles.

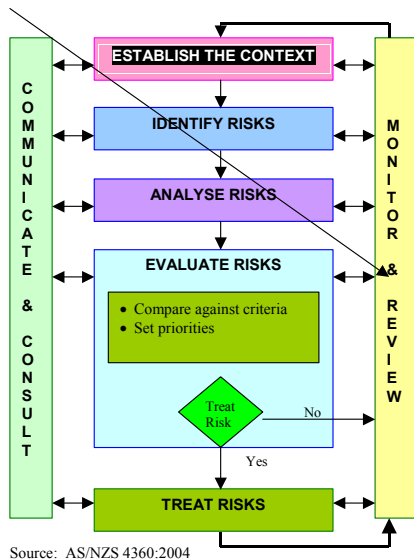
Tim Johns from Marsh Pty Ltd, also provided an overview of motor vehicle claim statistics for the State Service, where a large number of ‘at fault’ motor vehicle incidents are indicated. He invited agency staff interested in obtaining claims reports for their agency, to make contact with Marsh.



For more information on these sessions, contact Jason Fyfe in the Procurement and Contract Management Unit at Treasury on 6233 6220.



Risk Management



- collecting data on any new hazards which have arisen; and
- formulating new control measures.

In repeating the original elements of the risk management program, other related activities should be undertaken periodically as part of the monitoring and review system. These include:

- scheduled inspections;
- ongoing measurement and testing;
- workplace monitoring where necessary (for hazards such as noise or contaminants); and
- periodic accident analysis.

AS/NZS 4360 should be consulted for further information on the process.

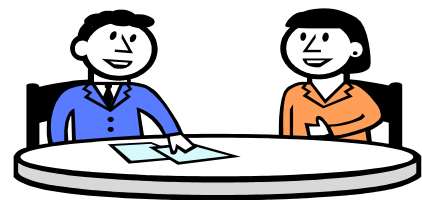
Source: University of Wollongong – Risk Management Guidelines.

Risk Management Process

In this edition of *riskmatters*, the focus on the risk management process is on:

Monitor and Review
(an interactive process throughout the life of the project)

- Check to see all measures are in place; and
- Review the plan after the event, for future refinement and/or improvement.



Risk management should be an ongoing, constantly improving process. To maintain its currency and its effectiveness, it must be continuously reviewed and steps taken to redress any flaws. Monitoring and review is the means by which risk management is kept current and effective. It ensures that new hazards and those overlooked in the original exercise are identified and controlled.

The monitoring and review process involves:

- systematically checking existing risk control measures to assess their effectiveness;

Information Sharing Sessions, Seminars and Workshops

Recent workshops hosted by the TRMF Unit

Managing Risks Associated with Contractors in the Workplace

Three half-day workshops were held on this topic to cater to interest expressed from government employees

in both the north and south of the State.

The workshops, which were facilitated by Gerry Allen of Major Training Services Pty Ltd, were held on 7 and 8 July and covered workplace health and safety obligations, the procurement aspects of contractor OH&S management, compliance with other legislative requirements and contract transition management.

The TRMF Unit is currently investigating a follow-up session focusing on the practical aspects of contractor management.

Facilities Risk Management

This workshop, held on 13 September, was presented

by David Kent of Marsh Risk Consulting (Melbourne) and Gerry Mullock of local firm SEMF.

David's session focused on the regulatory framework relating to buildings and the potential

impact of performance based design on property protection.

Gerry provided a detailed summary of equipment maintenance requirements pre and post the introduction of the *Building Act 2000* (Tas).



Participants at the Facilities Risk Management Workshop held on 13 September 2005.



For a copy of these presentations, including Gerry's summary of equipment maintenance requirements, refer to the TRMF Web site at www.treasury.tas.gov.au/trmf. This site is updated regularly and includes information about upcoming training, information sessions, seminars and STARSWeb User Group meetings. It also has a previous training section which provides copies of notes or presentations from past sessions.

Contractor Induction Checklist

When you have a contractor on site, these are some of the procedures that contractors should be made aware of as part of your obligations under section 9 of the *Workplace Health and Safety Act 1995*:

Security Protocols

- Access/building security (security cards, access hours);
- Contractor and sub-contractor identification (sign in requirements, ID badge); and
- Reception (location).

Smoke Detectors

- Ensure these are isolated if smoke or heat is expected to be generated.

Occupational, Health, Safety and Welfare Policy

- Asbestos (provide copy of asbestos register);
- Noise levels;
- Evacuation procedures;
- No smoking policy; and
- Workplace harassment policy.

Amenities

- Location

Source: Finance & Administration Branch, Department of Treasury and Finance

Upcoming Training/Conferences

HEMSEM - Workers Rehabilitation and Compensation Tribunal

13 October 2005

Hobart

Contact: ahemming@austarnet.com.au

RMIA 2005 Annual Conference

20 to 23 November 2005

Adelaide Convention Centre, South Australia

Contact: rmiacnf@im.com.au

Upcoming Workshops from the Training Consortium

Occupational Health and Safety Workshops

Don't miss your chance to get fully briefed on your own and your agency's mutual obligations to your occupational health and safety. What you don't know could hurt you!

OH&S Awareness Workshops

For employees, 23 November 2005 (Hobart ½ day)

For managers and supervisors, 24 November (Hobart – 1 day)

OH&S Responsible Officer Workshops

Launceston 8 November 2005 (1 day)

Hobart 14 November 2005 (1 day)

For full information on these workshops, please visit the "What's On" page of TTC's Web-site at www.ttc.tas.gov.au. To book, download the flyer and print the registration form on page 2, or phone TTC on 6233 6459.

Disclaimer

Non-TRMF sponsored events or courses noted in this newsletter are provided for information purposes only. It is not an endorsement.

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Upcoming TRMF Meetings

Committee Meetings

TRMF Steering Committee

29 November 2005, Hobart

TRMF Workers' Compensation

Sub-Committee

25 October 2005, Hobart

TRMF Property/Liability Sub-Committee

27 October 2005, Hobart

Contact: trmf@treasury.tas.gov.au

riskmatters

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