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



Agency cost codes

Agencies are reminded to keep their cost codes on the STARS claims administration system up to date. If you don't, you may find that the reports provided by the Fund Administration Agency are of little value.

Welcome

Welcome to the April 2010 edition of the Tasmanian Risk Management Fund newsletter, *riskmatters*, published by the Department of Treasury and Finance.

During 2009 a review was undertaken of physical assets covered by the Fund. In this edition we take a brief look at some of the more unusual assets. See page 3 for details.

You may have noticed that recent editions have included procurement related articles. In response to the findings of a sample survey earlier this year, the scope of topics covered will now also extend to articles on whole-of-government contracts. See page 4 for information on a new contract for fleet management services for the Government motor vehicle fleet.

Also included in this edition is an article on Tasmania's new security of payments legislation (page 4).

Colette Glazik
Editor

Fund news and updates

Advance notice – business travel and marine hull

The Fund will soon be approaching Marsh Pty Ltd to broker business travel and marine hull insurance on behalf of agencies for 2010-11.

Prior to renewal, it will be necessary for Treasury to contact agencies to ensure that marine hull schedules held by Treasury are current and to request statistics on intra-state

and inter-state flights during 2009-10. The flight statistics required by the insurer are full year estimates to 30 June 2010 based on actual flights for the period to date.

Survey of Marsh's performance

Treasury will soon be conducting a survey to assess the performance of Marsh Pty Ltd in its role as Fund Administration Agent for the Fund.

Agency representatives who have any dealings with Marsh are strongly encouraged to complete the survey.

The survey will be emailed to selected agency representatives on 26 April 2010. Responses are due by 15 May 2010.

Any queries contact Hannah McDonald at Treasury on 6233 6710.

Return to Work and Injury Management Model update

Agencies were given the choice between developing their own Injury Management Program (IMP) or participating in the development of a generic IMP with Marsh Pty Ltd.

Agencies utilising the generic IMP will need to ensure that their internal systems, procedures and policies correspond with the program.

WorkCover will be carrying out an audit of IMPs against the Guidelines for developing an Injury Management Program. This will be a desk top audit. On-site audits to verify the functionality and implementation of the IMP are also planned.

The Guidelines for developing an Injury Management Program are available from the WorkCover website at www.workcover.tas.gov.au.

Auditor – extension of contract

The Contract of Services with Deloitte Touche Tohmatsu to audit the activities of the Fund Administration Agent has been extended for a further and final year.

The application of personal accident cover

Personal accident cover will apply in the same circumstances as would workers compensation under the *Workers Rehabilitation and Compensation Act 1988*.

The Fund provides personal accident cover for people who are not covered under the *Workers Rehabilitation and Compensation Act 1988* while providing assistance to government.

Government employees are eligible for workers compensation if they suffer or aggravate an injury at work. It follows that personal accident cover will be provided while people are assisting the government (attending meetings, undertaking volunteer activities) and also while they are on any associated training, site visits or attending launches that are sanctioned by the agency or on approved agency-related entity (which is ultimately under the control of the agency).

However, neither personal accident cover nor workers compensation would respond where a person is injured while travelling between home and work.

A frequently asked question

Does the TRMF cover items that are on loan?

Yes, provided that the agency has formally accepted liability for the item.

Asset review 2009

The assets covered by the Fund can be much more exciting than just buildings and vehicles. In fact, they can be quite unusual.

Take, for instance, the 'National Heritage Pomme Fruit Variety Collection' covered by the Fund for the Department of Primary Industries, Parks, Water and Environment. We have been advised that there are approximately 500 varieties of apples in this heritage collection which dates from the 19th century. Obviously the risk of disease relevant to this asset would not appear on risk assessments for most other assets covered by the Fund.

The Fund covers assets valued in excess of \$6.39 billion including art works valued at \$55.3 million, and bridges at \$1.46 billion.

Not quite as unusual, but interesting none the less, are the 1890s blackwood billiard table belonging to the Legislative Council, and the Harley Davidson Motor Cycle with side car owned by the Department of Police and Emergency Management. (See articles below for further information on these unusual assets).

The Fund has been collecting physical asset data from agencies since 2004. Regular reviews are necessary to ensure that the estimate of the total cost of providing for risk is current.

Many agencies boast collections or art works. These range from libraries, original paintings, sculptures and a tapestry to an entomology specimen collection owned by the Department of Primary Industries, Parks, Water and Environment.

The 2009 review of physical assets was the most comprehensive to date thanks to agencies and their representatives.

The 1890's billiard table

The billiard table was purchased from the Brighton Army Camp in 1947 by the Joint House Committee for £95 and installed for a further £5. Although it became necessary to spend a further £79 within the first year of its purchase on steel joists, concrete flooring and cork tiles, it still represented a bargain as the cost for a new table was almost £400.

From notes provided by Terry Newman, Parliamentary Historian



Blackwood snooker table belonging to the Legislative Council

Police motor bike – Harley Davidson



Harley Davidson Motor Cycle with side car owned by the Department of Police and Emergency Management

The Police Museum, located in Bathurst Street, has acquired what is thought to be an old police motor bike from King Island.

Not a lot is known about the Harley Davidson except that it was restored some time in the late 1970s or early 1980s and, until recently, was housed at the Police Academy where it was driven down Academy Drive during police expos.

New fleet manager

The Government will have a new Fleet Manager from 1 May 2010 when LeasePlan replaces sgfleet as the provider of fleet management services for the Government motor vehicle fleet.

LeasePlan, one of Australia's largest fleet management companies, currently manages in excess of 90 000 vehicles.

The new fleet management agreement provides agencies with an extensive range of fleet management services for approximately 2 750 passenger, light commercial and operational vehicles state wide.

The new arrangement is for a three year period with options to extend for a further two terms of three years.

Tasmania introduces new security of payment legislation

The *Building and Construction Industry Security of Payment Act 2009*, commenced on 17 December 2009. Similar legislation is already operating in most other Australian States and Territories.

All administrative structures required to support the Act are expected to be in place by 1 June 2010.

The Act applies to all building and construction contracts (for both public and private sector construction projects), including the supply of related goods and services, carried out in Tasmania and entered into after the date of the commencement of the legislation.

The Act creates a statutory right for contractors and sub-contractors to receive progress payments in respect of any work carried out. Further, the Act establishes a process of timely (and relatively informal) adjudication for the interim resolution of payment disputes. The adjudication process determines the amount of payment owed immediately, without affecting

the rights of parties to have disputes ultimately determined in accordance with ordinary court (or alternative dispute resolution) processes.

The Act also creates a statutory right for contractors and sub-contractors to suspend work for non payment of progress claims (under certain circumstances).

For further information about Security of Payment legislation, visit www.wst.tas.gov.au/industries/building/securityofpayment.

Free information sessions on the new security of payment legislation

Workplace Standards Tasmania (WST) is arranging two free information sessions (in Hobart and Launceston) tailored specifically to government agencies and municipal authorities. The sessions will be facilitated by an experienced interstate 'nominating authority'. If you wish to attend please phone WST or email Terri.King@justice.tas.gov.au.

Hobart

1-4:30 pm
Tuesday 18 May 2010
Domain Athletic Function Centre
Queens Domain

Launceston

1-4:30 pm
Thursday 20 May 2010
Henty House Auditorium
Civic Square
Launceston

Procurement information – new contact list

The Procurement and Risk Management Unit has recently established a contact list containing details of people from inner-Budget agencies, Government Business Enterprises, State-owned Companies and statutory authorities who wish to receive information on procurement training opportunities and other procurement related matters.

If you would like to be added to the contact list to receive procurement information, please email your contact details to purchasing@treasury.tas.gov.au.

Debriefing unsuccessful suppliers – a reminder

Agencies are reminded that all suppliers submitting a quotation or tender should be offered a debriefing, and a debriefing **must** be provided if requested.

Advice of non-selection should include an offer to debrief.

The purpose of the debriefing session is to help unsuccessful suppliers submit more competitive bids in the future by identifying ways in which the supplier's offer could have been improved.

Further information in regard to what should, and should not, be discussed at the debriefing interview, together with advice in regard to the documentation of the proceedings, is available on the Buying for Government section of the

Upcoming training

Procuring goods & services – an introduction

4 May 2010	Hobart
12 May 2010	Launceston
5 October 2010	Hobart

Managing contracts – an introduction

13 May 2010	Launceston
27 May 2010	Hobart
6 October 2010	Hobart

For course details and enrolment information, refer to The Training Consortium website located at www.ttc.tas.gov.au. Agencies are also able to schedule these training courses in-house. Contact the TTC either by email at ttc@dpac.tas.gov.au or phone 6233 6459 to make arrangements.

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To register, contact the newsletter editor, Colette Glazik, at the Department of Treasury and Finance on (03) 6233 5440 or email trmf@treasury.tas.gov.au.

Meetings and notices

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 Wednesday, 28 September 2010.

Procurement Advisory Group

The principal role of the Procurement Advisory Group is to provide advice to the Government on its procurement policies and agency tender processes with a specific focus on enhancing the capacity of Tasmanian Small to Medium Enterprises to competitively bid for government business.

Members of the Procurement Advisory Group are appointed by the Treasurer and include representatives from industry associations, the Industry Capability Network Tasmania, industry and Government agencies.

Procurement Reference Group

The role of the Procurement Reference Group is to facilitate agency input into the development of procurement policy, training and tools.

Each agency is represented on the Reference Group by an officer nominated through their Head of Agency.

The next meeting will be held on Wednesday, 26 May 2010.

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