

In this issue:

Welcome	1
The Tasmanian Return to Work & Injury Management Model	2
TRMF Contributions 2006-07	2
Do You Have Workers Domiciled Interstate?	3
Overseas Travel Insurance	3
Lessons Shared –Event Risk Management	4
Naming the Crown as an Insured Party	5
Information Sharing Sessions, Seminars and Workshops – Business Continuity Management Seminar	6
RMA Conference 2006	6
Upcoming Training	7
Upcoming TRMF Meetings	7
Treasury Contacts	7

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 April 2006 edition of the Tasmanian Risk Management Fund (TRMF) newsletter, *riskmatters*, published by the Department of Treasury and Finance.

Thank you to those agency representatives who participated in the recent meeting hosted by Marsh Pty Ltd to discuss the Government's response to the WorkCover Tasmania Board's proposed Return to Work and Injury Management Model. The TRMF Unit with the assistance of Marsh has provided a whole-of-government submission to the Board. (see page 2).

The support for the recent Business Continuity Management seminar hosted by the TRMF Unit was very pleasing, with over 40 agency attendees. (see page 6).

You may be aware that the TRMF provides travel insurance and emergency assistance through ACE Assistance for people travelling overseas on business. A useful brochure outlining the scope of cover and services from ACE is now available on the TRMF Web site. (see page 3).

Also in this edition is some information on event risk management, shared by agencies, that you may find useful. (see page 4).

Tony Ferrall
Chairman
Tasmanian Risk Management Fund
Steering Committee

The Tasmanian Return to Work & Injury Management Model

The WorkCover Tasmania Board has developed a draft Return to Work and Injury Management Model which is aimed at ensuring injured workers are returned to the workforce as safely and quickly as possible and reducing costs to employers and the workers' compensation system.

In the early stages of development, a stakeholder workshop contributed substantially towards establishing the principles behind the Model. Following the workshop, the Board established a working group to provide an ongoing consultative forum, with membership including representatives from key stakeholder groups, including workers (Unions Tasmania), employers and self-insurers (Tasmanian Chamber of Commerce and Industry), licensed insurers (Insurance Council of Australia), medical practitioners (Southern Tasmanian Division of General Practice), the Workers Rehabilitation and Compensation Tribunal, and the Tasmanian Risk Management Fund.

Key features of the draft Model include: the establishment of information, advisory and support services to assist injured workers and employers; the establishment of a medical advisory and mentoring service; the development and implementation of Return to Work and Injury Management Plans; and the appointment of Injury Management Coordinators in the workplace.

Marsh Pty Ltd has represented the TRMF on the working group and hosted a meeting of agency representatives to discuss feedback on the draft in early March. The TRMF Unit, with assistance from Marsh, has provided a whole-of-government submission to the Board based on this feedback. The working group will re-convene in early April to consider stakeholder feedback prior to submitting a final draft Model to the WorkCover Tasmania Board.

If you would like more information about the draft model and the whole-of-government submission to the Board, please contact Martin Broad at Marsh Pty Ltd on 6231 3133 or Rachael Barron on 6233 3677.

TRMF Contributions 2006-07

Contributions continue to decrease for most risk areas.

In general, contributions to the TRMF have decreased for most risk areas over the four-year period to 30 June 2006, if not in nominal terms then in real terms.

The personal injury contribution pool has reduced, due to continuing stability in claim numbers and costs.

The underlying rates for motor fleet vehicles have been retained at the level of the past two years. The aggregate contribution has increased in line with the size of the fleet.

Contribution rates for miscellaneous (non-fleet) vehicles have been reduced by 40% in general. This has been largely offset by increases in the numbers and values of vehicles reported so that the overall change is a 14% reduction in aggregate contributions.

Contribution pools for general property and general liability have been maintained at 2005-06 levels.

Invoices for 2006-07 contributions will be forwarded to agencies in June 2006.



Do You Have Workers Domiciled Interstate?

Agencies with workers domiciled interstate are reminded to ensure that workers' compensation premiums are being paid to the appropriate State or Territory. This is facilitated through Marsh Pty Ltd.

Under the *Workers Rehabilitation and Compensation Act 1988*, workers' compensation premiums are payable to the State or Territory determined to be the worker's "State of connection".

Workers' compensation coverage is only required in one State or Territory.

Compensation under the Tasmanian Act is payable only if Tasmania is the State of connection.

Determination of a worker's State of connection is based on the following tests (as set out in Section 31A of the Act):

- the State where the worker usually works in the employment; or
- if no State, or no single State is identified, the State where the worker is usually based for the purposes of the employment; or
- if no State, or no single State is identified, the State where the employer's principal place of business in Australia is located.

The following issues are taken into account in deciding whether a worker usually works in a particular State:

- the worker's work history with the employer over the preceding 12 months;
- the worker's proposed future working arrangements;
- the intentions of the worker and the employer and any period during which the worker worked in a State, or was in a State for the purposes of employment whether or not the worker is regarded as working or employed in that State under its workers' compensation law.

It should be noted that any temporary arrangement, under which the worker works in a State for a period of not longer than six months, is not taken into account.



Overseas Travel

Travelling overseas on business? It is recommended that you read the TRMF brochure on Overseas Business Travel Insurance and Emergency Assistance.

The brochure gives details of 24 hour emergency assistance available to you from anywhere in the world. Assistance includes:

- world wide 24 hour telephone access to the ACE Assistance Network;
- emergency travel assistance;
- emergency medical evacuation; and
- assistance in replacing a lost or stolen passport.

It is important that you are aware of your obligation to:

- immediately report any loss or damage of baggage or business property etc to either the police or local transport carrier;
- record details of the incident; and
- complete a travel claim form within 24 hours of your return from overseas if an incident is likely to result in a claim, or involve personal injury to a third party.

If you are injured, it is recommended that you contact your HR representative when you get home, as you may be eligible for workers' compensation.

ACE assistance cards are available from your agency representative.



For a copy of the brochure refer to the Tools section of the TRMF Web site at www.treasury.tas.gov.au/trmf.

Lessons Shared – Event Risk Management

Field days on private land – who holds liability?

Agencies may be required to utilise private land/property as part of their activities. It is important that insurance is addressed as part of agency planning. Both parties have a duty of care.

Insurance and liability issues must be clarified and agreed with the landowner prior to any government activity taking place on private land. Liability arrangements should be set out in writing.

In the case of a public event, it is essential that the Crown agrees with the landowner the exact area to be used for the activity, and the exact time period over which the activity will take place, and these details are contained in the written document.

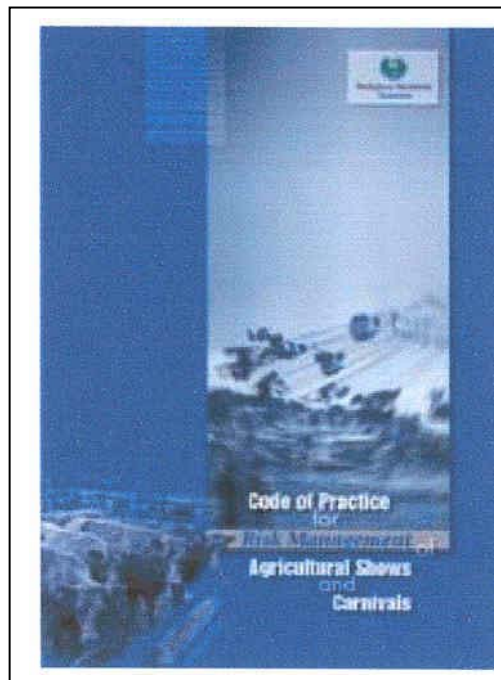
This and other risk related issues that must be addressed when using private land were discussed in a series of DPIWE in-house workshops on the effective management of DPIWE sponsored field days on private land. If you would like to learn more about the issues discussed at the workshops, **please contact Brett Hislop at DPIWE on 6233 3949**. A copy of the workshop overheads can be viewed from the TRMF Web site under 'Tools'.

Risk management of public events

Where several entities are involved in arranging and staging public events, it is important to ensure that each party has their own public liability insurance cover to meet any liabilities arising from their involvement.

To reduce doubt as to where responsibility for liability lies, it is recommended that:

- each entity be allocated responsibility for particular event activities and takes responsibility for managing the risks arising from their involvement in these activities;
- this arrangement be formalised in writing; and
- evidence of each entity's public liability cover be obtained.



Organising events for the first time

If you have been asked to organise an event for the first time and would like hints on the types of risks that need to be considered, you will find the '*Code of Practice for Risk Management of Agricultural Shows and Carnivals*' published by Workplace Standards Tasmania a useful tool.

You may also find the examples of event management plans provided by DPIWE helpful in starting your own plan. They can be accessed on the TRMF Web site under 'Tools'.

Crown equipment held in storage

When suppliers hold equipment purchased by the Crown in storage, it is important to ensure that building security and fire precautions exist at the supplier's premises.

Naming the Crown as an Insured Party

Clause 9.2 in the Government's Standard Contract for Services seeks to name the Crown as an insured party on public and products liability policies. However, this requirement often becomes an issue for agencies when prospective tenderers are unable to comply.

Naming the Crown as an insured party needs to be considered in the first instance. Noting the Crown's interest is the next best position. (see Explanatory Notes below).

However, in recent times, insurers have been increasingly reluctant to add additional parties to public and products liability policies.

If it is not possible to obtain either of these provisions, due to availability or cost, then the requirement may be waived provided that:

- a proper risk assessment has been undertaken and any identified risks can be properly managed by the Crown; and
- certificates of currency are obtained prior to services commencing.

Risk Assessment

For assistance in undertaking an appropriate risk assessment, see the Insurance Clauses in Contracts Guidelines on the TRMF Web site (under [Tools](#)).

Evidence of Insurance

Agencies must ensure that insurance is in place and obtain certificates of currency (for each insurance) as evidence. The certificates of currency should be obtained **prior** to services commencing, checked to ensure that they **comply with the requirements of the procurement contract**, and that they **are current** for the term of the contracted services. If the insurance expires or requires renewing within the contracted term, a process needs to be put in place to ensure that a further certificate is obtained.

Variations to the Standard Contract for Services should be referred to Crown Law for approval.

Clause 9.2 – Explanatory Notes

Naming the Crown

9.2 Crown to be insured

Insurance taken out under clause 9.1(a) must name "the Crown in right of Tasmania" and any Government Business Enterprise or statutory entity stipulated by the Delegate, as insured parties under the insurance contract, but only to the extent required under this Agreement.

Naming the Crown as an additional insured party provides a direct relationship with the insurer for payment in the event of a liability. In other words, it gives the Crown the right to directly enforce the policy against the insurer.

Noting the Crown's interest

The next best position is for the Crown to be noted.

The Consultant must ensure that:

- (a) the Crown is noted on any public risk insurance described in clause 9.1(a); and,
- (b) the Crown is indemnified under that policy as a principal in relation to work carried out by the Consultant and any employees, agents or sub-contractors of the Consultant under this Agreement

Noting the Crown's interest will ensure that, even though the Crown is not a party to the insurance contract (ie there is no direct relationship), its interests will be covered under the policy taken out by the Consultant, and the Crown will be able, if necessary, to require the Consultant to enforce the terms of its policy.

Information Sharing Sessions, Seminars and Workshops

Business Continuity Management

On 22 March 2006, the TRMF hosted an introductory Business Continuity Management (BCM) seminar presented by Bill Pollock of Marsh Risk Consulting.

Over time, the TRMF Unit has received many requests from agencies for tools, templates and general information on where to start with business continuity management.

Over 40 attendees were given advice on the practical considerations of recovering business processes and functions after an unexpected event has caused the work premises to be evacuated.

Bill used his own experience of business recovery after the World Trade Centre disaster to illustrate the importance of developing a business continuity plan (BCP) and summarising this into a practical 'quick action' checklist.

Attendees were given helpful information about how to approach a BCP and what to include in it; the relationship between the BCP and crisis management arrangements; as well as valuable lessons learned from the general market.



For a copy of this presentation, 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.



Brett Hall and Garry Bowden from TAFE at the Business Continuity Management Seminar held on 22 March 2006.

RMIA Conference 2006

The Risk Management Institution of Australasia (RMIA) will be holding its annual conference in Melbourne on 12 November 2006.

Key Dates

Registration brochure available – June 2006.

Early bird registration deadline – 31 August 2006.

Accommodation booking deadline – 30 September 2006.

For more information go to www.rmia.org.au.

Upcoming Training/Conferences

Workshops from The Training Consortium

Occupational Health and Safety Workshops

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

OH&S Awareness Workshops

For employees:

3 May 2006 (Hobart)

16 May 2006 (Launceston)

For managers and supervisors:

4 May 2006 (Hobart)

15 May 2006 (Launceston)

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

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To register, contact the newsletter editor, Di Hope, at the Department of Treasury and Finance on (03) 6233 6597 or e-mail trmf@treasury.tas.gov.au.

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Upcoming TRMF Meetings

Committee Meetings

TRMF Steering Committee

23 May 2006, Hobart.

TRMF Workers' Compensation

Sub-Committee

25 July 2006, Hobart.

TRMF Property/Liability Sub-Committee

27 July 2006, Hobart.

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