



risk matters

March 2014

**Top 8 tips
for managing
Return to Work**

Working together:
what it *really* looks like

Editorial



The LGIS team are appreciative of the unique challenges that present themselves to Local Governments.

Our goal is to use our experience and expertise to deliver the best services and professional advice to all our Members.

With this in mind, the first three months 2014 has seen LGIS working together with our Members assisting them in the preparation of schedules for insurance and risk for the new financial year.

We also know that to be the best at our job we must regularly connect with our Members, and this is particularly true for our Client Services team who are currently visiting all LGIS members.

The Client Services team enjoy working with LGIS Members, listening to their needs and concerns. When I ask the Client Service team members what they enjoy about their role, I get two consistent messages. Firstly the team like the opportunity to meet face-to-face with Members and secondly they derive great satisfaction from working together with Members to identify and resolve any emerging insurance and risk issues.

Overall, claim numbers for the Scheme have been steady; however LGIS Liability has recently experienced a small increase in claims owing to:

- an unusually wet spring season which increased the likelihood of pot holes in WA roads and subsequently a number of claims related to road improvements were received
- an extremely dry, hot summer which impacted the number of claims received relating to trees, tree roots, falling branches and the like

I hope you enjoy this edition of Risk Matters which features case studies to demonstrate exactly what we do and how it relates to all Local Governments.


If you have any questions about the content please contact me on 9483 8855.

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 Visit Our Website and
Members Section –
www.lgisw.com.au

For ongoing online reference to your insurance programme details, visit the LGIS Client Information Register (CIR) – <https://cir.jlta.com.au/logon.asp?cid=lgis>

Don't have an LGIS Members Section or CIR login / Forgotten your password?

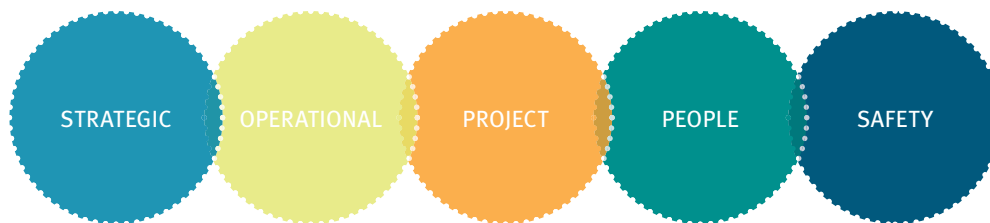
No problem, simply contact LGIS as per the above contact details for assistance.

LGIS is the unifying name for the dedicated suite of risk financing and management services for WA Local Governments, established by the WA Local Government Association in conjunction with JLT Australia.

Risk Matters is an LGIS journal to keep member organisations, their staff and elected members informed on topical risk management and insurance issues and LGIS programmes and services.

Risk Management

LGIS WORK WITH INDIVIDUAL LOCAL GOVERNMENTS TO PROACTIVELY IDENTIFY, ANALYSE AND DEVELOP TAILORED PLANS FOR ALL AREAS OF RISK, INCLUDING;



Working together with LGIS, Local Governments will develop:

- A greater understanding of the risks in their individual Local Government
- Assurance that risks are managed and appropriately mitigated

Organisational Risk Services

Exercising your Business Continuity arrangements

CASE STUDY

Will your business continuity arrangements allow your Local Government to respond to a service interruption incident in a planned and rehearsed manner whilst providing continuity of critical services?

A planned exercise of your business continuity arrangements will answer this question, as well as:

- Do all the required continuity infrastructure, fleet, plant and equipment work?
- Are the documented plans and specified actions up to date, correct and effective?
- Do your staff know what is required of them and are they capable of fulfilling those requirements?

The objective of an exercise can cover all or some of the following depending on the time, cost and scale of the exercise:

- a. Validate current business continuity information, plans, timeframes and strategies and identifying any potential gaps
- b. Familiarise the Senior Management Team and support personnel with their roles and responsibilities
- c. Instil confidence in using plans, working together and building a common understanding of business continuity
- d. Further testing underlying assumptions and areas of continual improvement

LGIS specialist consultants have a thorough knowledge and comprehension of the best exercise guidelines, ensuring your participants are guided through well-structured incident scenarios that have a direct correlation to the duties of the Local Government. Exercises range in complexity from simple discussion based scenarios to further the development of a business continuity plan, to the more complex real-time full-scale functional simulations.

Exercises bring together several departments, teams or directorates and concentrate on promoting interaction between teams. The scope and content of the exercise will reflect as realistic a situation as possible and may include simulated news broadcasts, the use of social media websites and pre-scripted “surprises”.

A ‘hot’ debrief after the exercise is recommended to allow participants to share their lessons learned.

OVER 50% OF ORGANISATIONS WILL SUFFER SOME FORM OF BUSINESS INTERRUPTION OVER A TWO YEAR PERIOD

All facilitation and consultation is supported by checklists and worksheets used to capture pertinent information, and a written report to detail observer comments and suggestions is completed for the Local Government.

“In December 2013, the City of Melville undertook its second annual business continuity desktop exercise. The first exercise was undertaken immediately following the completion of the plans, so this was the first test undertaken with a full year of plan implementation.

We were so impressed with the professionalism and design of the exercise conducted by LGIS for the first test that we asked them to come back and run this one too.

LGIS visited our offices to plan and scope out the exercise, which included discussions with myself and various other stakeholders. The test itself was facilitated by LGIS and they ran a value packed, well-designed and completely tailored scenario. Following the test, we received an invaluable report providing observations and suggestions for improvement.

The service provided by LGIS for Business Continuity testing is exceptional and I will definitely be using them again next year. I would not hesitate to recommend them to others.”
Lee Wilson, Risk Management Co-ordinator, City of Melville.

Contact James Sheridan
Manager Organisational Risk Services

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Occupational Safety and Health (OSH) risk management

City of Wanneroo

CASE STUDY

The City of Wanneroo is one of the larger metropolitan Local Governments in Perth with an estimated 1000 employees and just as many volunteers. The service the City provides is extremely diverse from libraries and community centres to various parks and reserves.

Historically, the performance in occupational safety and health has been poor with a negative safety culture and significant lack of safety reporting in the areas of hazards and incidents. The City of Wanneroo was seen as one of the worst performing Local Governments.

With an increased and dedicated focus on OSH, the City is turning their performance around. The City has increased its hazard reporting by 210% from 2012/2013, increased leadership engagement with 98% of all leaders at the City undertaking OSH training during 2012/2013 and the development of 56 new corporate Task Procedures and Risk Assessments.

The graph below reveals the decrease in claims at the City of Wanneroo from 91 in 2008/2009 to 31 in 2013/2014 (still currently tracking this financial year).

Daniel Simms, CEO City of Wanneroo reflects on this significant change and answers questions regarding the OSH focus of the City.

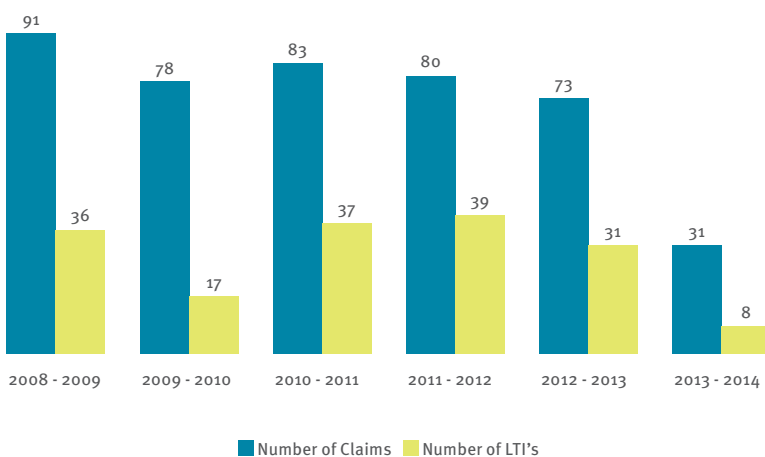


Jonathan Miles OSH Officer, Vanessa Green OSH Officer, Deb Wilkes OSH Administrator, Anna Gillespie Project Manager OSH, Daniel Simms CEO, Mario Schunck OSH Officer, Wayne Crawford OSH Officer

“ IT IS ACKNOWLEDGED THAT THE CITY COULD NOT HAVE TAKEN THE SMALL STEPS TOWARDS OSH IMPROVEMENT WITHOUT THE SUPPORT OF LGIS AND THE STRATEGIC OSH CONSULTANT, AND THE CITY LOOKS FORWARD TO CONTINUING THE PARTNERSHIP WITH LGIS ”

Anna Gillespie Project Manager OSH, City of Wanneroo gives an insight into the assistance of the Strategic OSH Project to the City of Wanneroo OSH cause

City of Wanneroo – Number of Claims and LTI's



Could you explain in your own words the reasons for the focus on OSH?

At the City of Wanneroo nothing is more important than the safety of our employees. Over the recent past, too many employees were being injured at work and this was having a significant impact on their home and family life, as well as decreasing our productivity. The family and friends of our employees entrust us with their loved one for 7.5 hours a day, so it is our duty to ensure they go home at end of the day fit and healthy.

What are your key objectives for OSH as the CEO?

- stopping our employees getting injured
- increasing the hazard reporting rate, if we can identify the hazard we have the chance to control or eliminate the hazard before someone is injured
- ensuring the Leaders have the necessary training and tools to manage OSH in their area of control
- ensuring the City has systems in place to fully investigate incidents and put control measures in place to ensure the incident does not occur again
- ensuring all team members are aware of their responsibilities as it relates to OSH and empower them to speak up about OSH
- ensuring the City is operating in accordance with AS 4801

What things have you put in place as the CEO to change the direction of the City?

To provide a strategic focus on improving our OSH performance I have developed a project team whose sole focus is to provide the advice, support and tools to ensure our leaders are able to manage OSH in their area.

The Project Manager OSH is focussing on working with the leaders of the City and engaging them in the improvement process. I have also engaged additional OSH officers so that there is an OSH presence in the field, with the OSH officers working from our out centres on a regular basis, engaging the operational leaders and OSH representatives in their workplace and assisting with all things OSH. An OSH administration officer has also been engaged to provide support to the team,

as well as developing a structured reporting and documentation control process.

Another key focus for the City is to clearly articulate the authorities and accountabilities of all our employees. The authorities and accountabilities are also articulated as behaviours, so that all employees, regardless of their level or occupation, can identify what they can do to ensure the City of Wanneroo is a safe workplace.

In what areas have you seen the Strategic OSH Project add value to meet the City's OSH objectives?

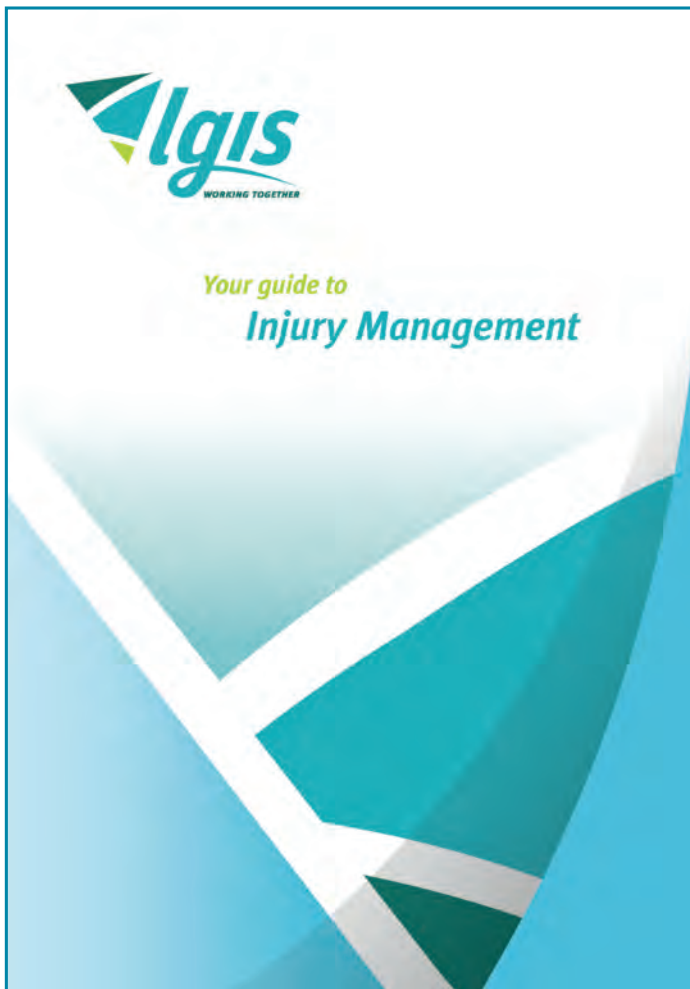
The partnership with LGIS in the Strategic OSH Project (which includes the City of Swan, City of Joondalup and City of Stirling) provides onsite consultancy to the City, with a dedicated consultant, Dawn Beaumont.

Through this partnership the City has been able to use the skills of the consultant to undertake training with our leaders and OSH representatives and to provide strategic advice and support to the project team. The benefits of this partnership have had a positive impact on the City's performance and have strengthened our ties with our colleagues at the City of Swan, Joondalup and Stirling.

Over the coming months Dawn will be working with the project team on a number of high level, corporate wide matters, including contractor management and volunteer development. The knowledge, skills and experience of the consultant has been invaluable to the City's improvement in OSH.

Contact Candy Choo
Manager Workforce Risk Services

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LGIS – Your guide to injury management

LGIS WorkCare is committed to working together with Local Governments in applying an integrated and holistic approach to workplace injury.

In March 2014, LGIS will be releasing a revised Injury Management Manual.

The manual is an essential tool designed to assist our Local Government Scheme members in the effective application of injury management strategies and processes.

The manual will be available online at lgiswa.com.au and to receive a hard copy contact

Jeannie Marlow  9483 8843

or Katy Lonsdale  9483 8818

Top

8

tips for managing Return to Work

Current research on return to work after injury has identified a number of key factors common in timely and durable return to work outcomes. When implemented, these steps can result in reduced time away from work and decreased claim and associated costs and most importantly, will direct the focus from the injured worker's injury to promoting work ability.

Modified work hours

Make an offer of modified work or work hours to the injured worker and their medical practitioner, if they are restricted in capacity. This facilitates a safe and early return to work activities suitable to their abilities. Importantly, make sure that the modified work does not disadvantage co-workers and supervisors

Contact treating doctor

Provide information promptly to the treating medical practitioner about the worker's job description, modifications to work that can be made whilst they are recovering and your return to work policy

'No blame' approach

Take a "no blame" approach to the workplace injury. This is particularly relevant once liability on a claim for compensation has been accepted by LGIS WorkCare. WA has a "no fault" system and your worker may be demotivated if they feel their injury's legitimacy is questioned

Develop a RTWP

Discuss the Return To Work program and seek the agreement of key stakeholders (employer, medical practitioner and injured worker). Document the program details in a RTW program and modify as the worker's capacity changes

Encourage normal activity

Encourage normal physical, social and psychological functioning for the injured worker. Resumption of normal daily routines brings everyone a step closer to the shared goal of a return to pre injury capacity. The only exception being resumption of activities that are outside of the worker's current medical restrictions

Stay connected

Keep in regular contact (weekly) with the injured worker in order to provide support, ensure that their recovery is progressing as anticipated and receive updated medical information. Make the contact positive and supportive

Ask for help

Workplace injury and recovery can be a complicated process within the worker's compensation system. Remember LGIS WorkCare is here to help you with all your workplace injury management needs and are only a phone call away

Contact injured worker in the first 24 hours

Make contact with the injured worker within 24 hours of the injury. Assure them of their workplaces commitment to their well-being and respond quickly or seek answers to any questions they have, whilst being considerate of the worker's right to privacy and confidentiality

Katy Lonsdale and
Jeannie Marlow are LGIS injury
management consultants

📞 9483 8818 or 📞 9483 8843

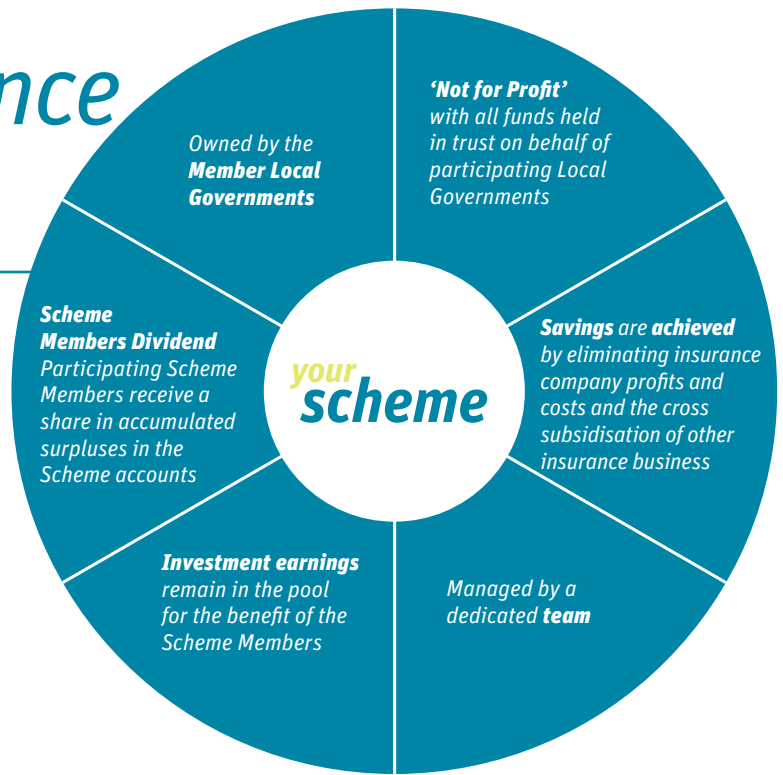
The Self-Insurance scheme

The Scheme incorporates four funds:

- LGIS WorkCare
- LGIS Liability
- LGIS Property
- LGIS Bushfire volunteers injury

It provides a pooled fund and mutual scheme for WA Local Governments to work together to take control of their risks, and minimise costs, as an alternative to traditional insurance.

This is achieved by taking a coordinated approach to risk management, claims management and injury management that is holistic and seamless.



LGIS Client Services

Our goal is to develop trusted and close working relationships with Members to make certain the best possible customised risk management solutions are realised.

Our team members are constantly on the road ensuring all Members regardless of location, have access to our experience.

CASE STUDY

Motor vehicle claims will soon go straight to Zurich.....

The process for lodging a motor vehicle claim will soon be improved. In an effort to streamline the procedure and enhance the type of service LGIS can provide, tests are underway for:

- telephone claim lodgement
- online claim lodgement
- clients to go directly to Zurich for the majority of claims

LGIS have been working together with Zurich and will soon move into a testing phase. This phase will involve twenty Local Governments testing the new process over a period of eight weeks.

It is estimated that the roll out of the new model will occur in the second half of 2014. To assist with the implementation of the new process, we will be offering a training package, group workshops and one-on-one training sessions.

POSITIVES THAT WILL FLOW FROM THE CHANGES ARE CLIENTS SAVING TIME AND LGIS BEING ABLE TO USE THEIR EXPERIENCE TO REVIEW A LOCAL GOVERNMENT'S HISTORICAL DATA AND ADVISE ON RISK MANAGEMENT STRATEGIES. THIS MAY INVOLVE LOOKING AT FLEET PERFORMANCE AND REVIEWING EXISTING FLEET RISK MANAGEMENT INITIATIVES.

Instances when Zurich will be notified by LGIS to ensure we are involved in negotiations and settlement of the claim, are when the claim involves:

- total loss
- fire and theft
- alcohol and drug related
- elected members claims
- vehicle damage over \$50,000

LGIS are also happy to be involved if requested by any Local Government.

Two Local Governments that have been using the above

process for some time provided the following insight:

'Going direct gets the ball rolling a lot quicker' City of Perth

'The most significant benefit from going direct to Zurich is the time we save!' City of Wanneroo

Contact LGIS on 9483 8888

LGIS PROCESS MORE THAN 1300 VEHICLE CLAIMS EVERY YEAR

LGIS WorkCare provides a dedicated claims management service where all workers compensation claims are handled by experienced claims practitioners, with the services of legal experts engaged as required.

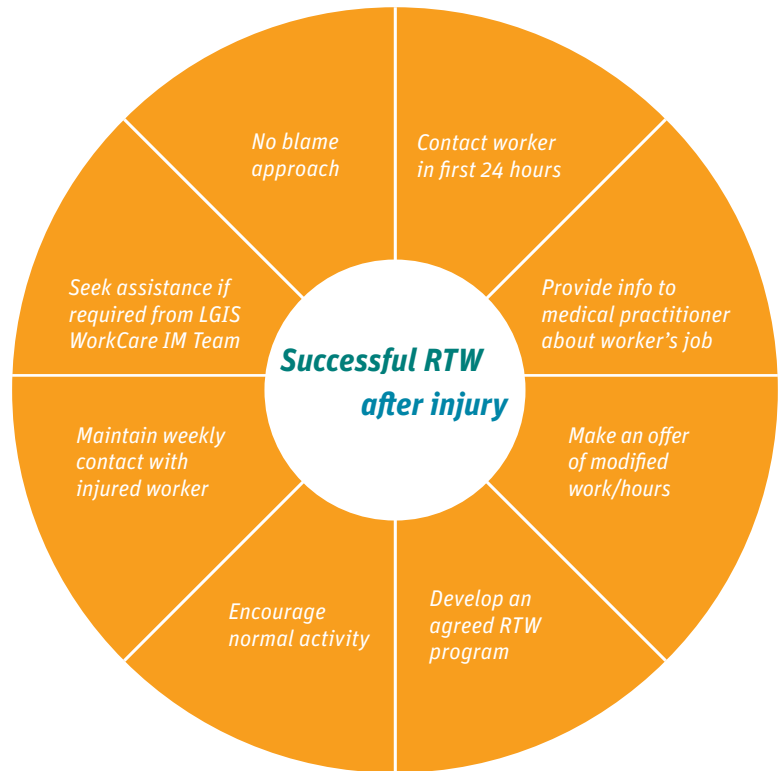
The LGIS Injury Management team form an important part of the WorkCare team and specialise in assisting Scheme members with return-to-work policies and procedures.

Why work?

Some people work for personal fulfilment, others work for love of what they do. Motivation is different for different people. A recently released report found that the welfare of individuals, families and communities could be underpinned by a number of fundamental principles, including:

- work is of benefit to health and well-being
- long term absences from work, including absence due to work related injury, and unemployment are detrimental to health and well-being
- people returning to work after a work related injury or illness, are challenged with complex and unpredictable circumstances. Positive outcomes are more likely when all parties involved understand the health benefits of work, and are engaged and informed of the framework within which they operate

In partnership with Local Governments, LGIS actively promotes and supports injury management. With successful deployment of injury management, LGIS aims to reduce the cost of injury and meet moral and legal obligations defined under current workers compensation legislation.



Many tangible benefits are derived from a comprehensive and integrated injury management system and can be measured in a number of ways, including:

- the reduction and containment of claims costs
- improved productivity
- improved worker morale
- reduced lost time
- improved working conditions

CASE STUDY

A 52 year old, bridge maintenance worker experienced the gradual onset of bilateral elbow pain during the course of his duties. The injury was reported 17 January 2013 and the supporting documentation outlined job tasks within his role which included heavy hand-arm work, and occasional crowbarring and cementing which exacerbated the team member's condition during busy periods.

The claim was accepted and in conjunction with LGIS a rehabilitation provider was appointed. After being declared 'totally unfit' for the first month, the worker subsequently returned to 'light duties'. The prescribed treatment consisted of physiotherapy, exercise & voltaren gel, and the Vocational Rehabilitation provider assisted the Shire and worker with the return to work plan with light/alternate duties.

The Shire demonstrated continued support for the worker. His job was permanently modified after consultation with the treating doctor, Shire and Vocational Rehabilitation provider and in consideration of the worker's ongoing condition. The aim was to ensure the worker's condition was not exacerbated and yet they could still enjoy the role.

A final medical certificate was issued on the 23 January 2014 deeming the worker 'fit'.

This was a great outcome for the Shire and LGIS as this led to a reduction of the cost of this claim.

Due to the early intervention on behalf of the Shire and the successful deployment of a rudimentary but robust injury management plan, the Shire has minimised the cost of an ongoing claim and ultimately the cost of insurance. Importantly, the worker maintained productive and meaningful employment and an open relationship with his employer.

Contact Esma Pollock, Manager WorkCare

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The Scheme provides protection for property that belongs to Local Governments, and can range from mobile phones to large multi-purpose recreation facilities.

The Scheme protects assets located in metropolitan and regional areas and since inception has dealt with over 4,800 claims and paid claims totalling in excess of \$68 million.

CASE STUDY

The City of Mandurah's Performing Arts Centre (MPAC) is covered by LGIS Property.

As part of the broader management of the building, the City undertakes monthly inspections of the buildings fire safety systems. This work is carried out by contractors.

THIS IS A GREAT EXAMPLE OF LOCAL GOVERNMENT AND THE SCHEME 'WORKING TOGETHER' TO ENSURE QUICK CLAIM SETTLEMENT

During 2012 the contractors inadvertently activated the buildings fire dousing system resulting in a deluge of water flooding the main stage. The

stage, constructed of painted Masonite (pressure moulded hardboard wood) and 15mm ply board buckled and warped as a result of the water and further damage was done to the stage curtain, satellite set top box and computer monitors used for productions.

Much of the initial clean-up work was attended to by staff and volunteers at

the MPAC. Our senior claims consultants asked the City to carefully record the hours spent during this initial stage and also authorized the City to arrange replacement of the affected audio electrical equipment. Costs associated with the incident amounted to around \$17,000. The claim was also subject to an excess of \$1000 representing the 'uninsured' portion.

The City of Mandurah had been diligent in their selection of the contractors who undertook the monthly fire safety inspections. They had also ensured that the building was adequately insured having previously taken advantage of the Schemes property valuation rebate (40% of the valuation costs were rebated to Local Government).

In particular, the City had taken care to ensure that the contractors had their own public liability policy. Working together with Mandurah the Scheme had a detailed list of all costs associated with the incident including invoices, time sheets and receipts and wasted no time in presenting these costs to the contractors liability insurers.

The property scheme was able to recover 100% of all costs relating to the water damage including additional labour charges and replacement of the stage. The \$1000 policy excess was also recovered by the Scheme and this was returned to the City in addition to the claim settlement figure.

The City did exceptionally well to make:

- sure the building and contents at the MPAC were correctly insured assisted by the Schemes valuation rebate scheme
- time to check the insurance particulars of the contractors responsible for the damage (public liability policy was in place)
- contact with LGIS and work together to ensure that both the Schemes outlay and Local Governments uninsured loss (the excess) were recoverable

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Manager LGIS Property

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Claims in public liability arise from accidents/injuries or losses attributed to Local Government negligence (facilities, roads, footpaths etc).

The most common claims that the Scheme deals with are:

1. Claims for property damage – these include damage to cars, homes, buildings and other infrastructure from flooding, impact by falling trees and branches
2. Claims for personal injury – these include: slips and trips on footpaths, roads, and in and about public buildings owned, occupied or managed by Local Government; injuries arising out of accidents where work is being carried out, such as maintenance to the road network and construction of other public facilities; accidents that occur in public parks, ovals and within sporting facilities
3. Professional negligence claims (which includes defamation, libel & slander). These generally relate to claims arising out of professional advice provided by Local Government. An example would be matters relating to property development applications, issuing of building licences, advice and guidance provided by engineers, town planners and other staff who are professionally trained. Claims arising out of the publication or utterance of a libel or slander against another person or entity

Three significant difficulties in managing and defending claims are:

Collecting documents and information relating to the activity of the Local Authority that is alleged to have led to the incident/accident giving rise to the claim

Sourcing information from witnesses to an event, given claims are sometimes notified weeks, months or even years after the accident or incident occurred

The General public not understanding the process of public liability claims, the concept of legal liability, and the awareness of State and Federal Legislation that guides and provides a framework for such claims including the immunities the legislation may provide to Local Government

Changes to work practices of statutory authorities including Local Governments over the last decade have improved risk profiles.

Documentation is crucial when dealing with claims, including the production of file notes, memoranda and accurate record keeping, the provision of photographs of the area where the accident/incident is alleged to have occurred, prior to the Local Government carrying out any rectification/repairs or remediation of the area.

LGIS defend claims in both the Local Magistrates Court (a jurisdiction where lawyers may not be able to represent the parties in a dispute) the District and Supreme Court of WA and in some cases the High Court of Australia.

CASE STUDY

A member of the public was walking along the roadside footpath adjacent to a Perth train station. While texting on his mobile phone he inadvertently tripped on a raised pavement slab and

fell down heavily. David* broke his right wrist while trying to break his fall onto the footpath. His phone was damaged beyond repair. The pavement slab was raised from the level of the path by about 20mm by the roots from a London Plane tree growing nearby.

David was off work for two weeks following surgery to repair the fractures to his wrist. He advised the Local Government of his accident, that it had been caused by the raised paver and asked that repairs be carried out. David then sought advice from his lawyer as to a compensation claim against the Local Government. Three months later the Local Government received a letter from David's lawyer placing them on notice of his intention to seek common law damages arising out of his accident and resultant injury.

The Local Government contacted LGIS Liability; a public liability claim form

and an engineering report based around the known condition of the path where the accident occurred were requested and produced. LGIS Liability then appointed an assessor to collect further detailed information and documents from the Local Government pertaining to the matter. The assessor also interviewed the claimant at his solicitor's office and obtained a statement detailing the accident and the injury and other relevant information in relation to his claim.

LGIS Liability received the assessors report containing all the factual information relating to the matter. LGIS staff next reviewed the information provided, and referred to appropriate and relevant State and Federal Legislation. LGIS also researched legal precedents set by Western Australian courts and those in other Australian jurisdictions

including judgments made and handed down by the High Court of Australia.

Following the period of research and review LGIS determined that the Local Government was not legally liable to David arising out of the accident he had on the footpath. Consequently LGIS advised David's lawyer in detailed correspondence that his claim for compensation was denied. LGIS outlined the specific legislation that provided immunity to the Local Government along with a history of prior cases where precedents had been set.

*Not the individual's real name

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