



Sitting is the new smoking

Keeping inland waterways safe

Why a psychologically safe workplace matters

Editorial



We recently came to the end of another financial year, which again proved to be a reasonable year for the LGIS Scheme and for our members. I'd hasten to say, however, that this time around it

came in the face of some extraordinary challenges. These included catastrophic events impacting on a number of our members (Yarloop and Esperance bushfires immediately come to mind), and a rather bumpy ride with our funds under investment.

Following the completion of our year-end processes, we have released our 2016 annual report on the LGIS website, which will show a year-end surplus of \$5.5 million.

In view of the solid financial position of the Scheme when the year started, the Board has decided to return that \$5.5 million surplus back to Scheme members in full.

The surplus distribution will be structured as a combination of a credit off your 2017 Scheme membership contributions, member dividends and a top up to your funding pool balances. My team will be in touch with you shortly with the good news and to confirm details of your share of these member benefits. Just another example of why WA Local Governments have greater security and certainty working together in a member-owned self-insurance scheme.

During September and October, you may also have received a call or email from TNS (an independent market research agency) inviting you to participate in an LGIS member survey. Thank you to everyone who participated. We are always keen to hear your views on how we are performing and on the services and programs we provide for our members. Your feedback is vital to us in ensuring that we deliver on our members expectations.

Finally, I'd like to encourage everyone to take the opportunity to visit our revamped website which you will find at the same address - lgisw.com.au

We are very excited with the enhancements, and encourage you to see for yourself and take advantage of the wealth of information it provides. The updated site includes user-friendly navigation, with dropdown menus for both mobile and desktop versions. We have also improved the structure of our content, to provide you with an easier way to learn about LGIS services and solutions. There is a whole host of smaller but impactful changes, all to make the experience much better for our members.

I hope you find this edition of Risk Matters magazine an interesting read. Articles in this edition look at why a psychologically safe workplace matters and best practice tips for employment practices liability protection.

If you have any comments or questions in relation to anything in this publication, or indeed on any matter relating to your Scheme please contact me directly on 9483 8855.

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the dedicated suite of risk
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with JLT Australia.

Risk Matters is an LGIS journal
to keep members, their staff
and elected members informed
on topical risk management
and insurance issues and LGIS
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Your OSH targets must be achievable and drive improved performance.

OSH planning: Get the results that spell success

Planning is a critical element of any risk management strategy. Your occupational safety and health planning should be no different.

Having a well-planned occupational safety and health (OSH) approach allows you to identify areas you want to focus on. It demonstrates your commitment to safety and promotes a positive safety culture in your workplace.

With planning in place, everyone can work together towards common goals and this allows you to celebrate your successes.

The planning process should not be seen as an onerous task. Rather, it is about reviewing past performance while looking ahead to see what needs improving.

OSH planning is generally done at executive management level and should include worker representatives, such as a safety representative. Your OSH committee could be a touchpoint for worker involvement.

Conduct your OSH planning at a time that suits you. Typically, it is an annual activity and is often done in tandem with the budget cycle to allow financial allocations to be factored in.

Set objectives, performance measures and targets

Central to your OSH planning is the development of objectives, measurements and targets.

Objectives:

Objectives are what you want to achieve. An objective could be as simple as 'to reduce workplace injuries at the depot'.

Measurements:

Once you have the objective, work out how this will be measured. This is called a performance measure or key performance indicator (KPI). It is important to ensure that the performance measure relates to the objective.

For example, you could use a performance measure or indicator such as Incident Rate, or Lost Time Injury Rate, as these relate to workplace injuries.

Targets:

Then determine your target. Targets are set by you and need to consider past performance and what would be acceptable to you. Targets must be achievable and drive improved performance.

For example, we set an Incident Rate target of <3 (less than 3) given our previous performance was 6.

The planning example would look like this:


Objective	Performance Measure	Target
Reduce workplace injuries at the depot	Incident Rate	<3

What is in your OSH plan?

All your occupational safety and health objectives, your performance measures and targets should be documented in an OSH Management Plan.

Your plan should also include actions to be taken to ensure your objectives and targets will be achieved, and the time-scales for when they are to be achieved. The plan should assign responsibility for undertaking those actions.

At regular intervals, you should review your OSH Management Plan to ensure you are on track to achieve your objectives and targets. This could be done at executive meetings, departmental meetings or with the OSH committee. Regular reviews allow you to take remedial action if you are not on track to achieve your objectives.

For more information and assistance with your OSH management plan, please contact your regional risk coordinator or the LGIS occupational safety and health team on  (08) 9483 8888.

Sitting is the new smoking



The new generation of standing workstations is not the only option for preventing the growing health risks associated with occupational sitting.

Right now in the media, the view that 'sitting is the new smoking' is prevalent and it dominates occupational health discussions.

This has led to a significant push to encourage workers to include more 'active time' in their day. But are the sit-stand workstations the only option, and what is all the fuss about?

Our sedentary lifestyle means we may engage in many low energy expenditure behaviours. These are typically watching TV, sitting at a computer workstation, or driving a vehicle.

Sedentary behaviour is common in the Australian workforce and is linked to increased risk of premature death, chronic health disorders (obesity, diabetes, sleep apnoea) and detrimental work outcomes (absenteeism and presenteeism).

Up to 81% of Australian workers report some occupational sitting behaviour and 50% report sitting often or all of the time at work; with office workers accumulating half of their total sitting time at work.

This suggests occupational sitting is likely to be a major contributor to the poor health outcomes associated with overall sedentary behaviours.



81%

Australian workers who report occupational sitting.



50%

Australian workers who report sitting often or all the time.

How can you encourage more 'active' workers?

A number of trials have demonstrated that interventions with a multi-faceted approach can lead to substantial reductions in occupational sedentary time.

This means approaches and interventions should target the organisational physical environment by focusing on elements such as tools, equipment and furniture, as well as looking at the cultural environment, such as policies and procedures, and the individual worker.

Simply providing sit-stand workstations and expecting workers to use them, or even want to use them, is not a strategy for success.

Two clear risk reducing aims

It is recommended that the two clear ways to reduce the risk of harm from occupational sitting are:

- ▶ Reduce overall accumulation of occupational sitting
- ▶ Interrupt prolonged bouts of occupational sitting

Prolonged occupational sitting is likely to be a major contributor to poor health outcomes of Australian workers.



How?

To achieve this we substitute sitting time with standing time, and we interrupt both sitting and standing with walking or movement. See the illustration here to depict this 'substitution and interruption' approach across a typical sedentary work day.



Sedentary work day



Substitute some sitting with standing



Interrupt sitting with standing



Substitute some sitting with standing in alternating bouts



Substitute some sitting with standing and interrupt sitting and standing with walking



Strategies to reduce overall sitting time

- ▶ Standing and/or walking meetings
- ▶ Sit-stand workstations
- ▶ Cycle workstations or under-desk cycling
- ▶ Promoting 'active transport' options
- ▶ Lunchtime walking or cycling groups
- ▶ 'Free-walking' paths within office: designated 'safe' walking paths inside the building usually around the perimeter of the office space
- ▶ Standing at meal times
- ▶ Health promotion work challenges

Smart ways to interrupt sitting time

- ▶ Switch to a standing 'hot desk'
- ▶ Complete administration tasks while standing
- ▶ Re-fill water bottle or go to the bathroom
- ▶ Walk to colleagues to ask questions instead of emailing
- ▶ Stand while talking on the phone
- ▶ Use centralised bins and printers rather than those at your desk

For more information and support to reduce occupational sitting harm in your workforce, please contact LGIS on  (08) 9483 8888.

Best practice tips for employment practices liability protection

In an increasingly litigious society, how can you protect your local government against costly and reputation damaging claims by workers?

Today, workers are more aware of their legal rights and are more likely to take legal action in relation to their employment, promotion, treatment by employers and colleagues in the workplace. Those who can make a claim include workers, former workers, volunteers and job applicants.

So it is no surprise that Australia has seen an increase in actions against employers for a wide range of employment practice issues including harassment, stress, discrimination and wrongful dismissal.

When allegations are made (even if they are rejected by a court), they can be costly in terms of time, legal fees and damage to your reputation. Where allegations are successful, significant damages could be awarded against your local government, as well as your executives and/or elected members.

Hidden costs of claims

- ▶ Negative publicity
- ▶ Damage to reputation and community goodwill
- ▶ Loss of productivity (for both employer and worker)
- ▶ Stress to employer and the worker

How insurance covers you

Employment practices liability insurance can cover your defence costs and specified damages for certain employment related issues that arise from a court decision, including:

- ▶ Unfair dismissal
- ▶ Wrongful refusal to employ
- ▶ Wrongful failure to promote
- ▶ Wrongful demotion
- ▶ Sexual harassment

- ▶ Discrimination
- ▶ Defamation
- ▶ Breach of employment contract

Take steps to prevent claims

1. Develop and implement a discrimination/harassment policy.
2. Upskill managers and supervisors to manage issues through early intervention.
3. Develop a clear process for responding to any complaints.
4. Raise awareness of policies and processes.
5. Provide training on rights and responsibilities in the workplace.
6. Ensure managers promote a workplace free from discrimination/harassment.
7. Provide contact points for workers to discuss any workplace issues.
8. Develop policies to reflect workplace equality.
9. Identify risk factors and develop plans to address these.
10. Provide accessibility to information and communications for workers.
11. Identify potential problem areas in which issues could arise.

Tips for resolving disputes efficiently

While some of these approaches can assist significantly in preventing worker related claims being lodged, remember no process is infallible.

- ▶ Ensure a worker is made aware of the procedure.
- ▶ Determine which dispute procedure applies.

- ▶ Comply with the correct procedure quickly and fairly.
- ▶ Ensure a simple, quick, fair, confidential and transparent procedure.
- ▶ Use your best efforts to resolve the issue.
- ▶ Work towards solving an issue to maintain healthy working relationships.
- ▶ If an issue is unresolved, refer to an independent mediator or arbitrator.


We highly recommend that when an issue arises, you notify the insurer without delay (via LGIS). This ensures the insurer's position is not prejudiced should an issue require defending and/or proceed to court.

To assist in dealing with any employee relations matters or enquiries, WALGA has an employee relations unit staffed with highly experienced employee relations experts who can guide you through any complex workplace issues to minimise issue escalation. Please contact them on 9213 2092 for assistance.

How LGIS help you

While insurance can provide a line of defence, you are simply reacting to the problem. The HR services that LGIS deliver to local government can help you implement employment best practice strategies in many ways, including offering support for manager and staff training, reviewing of relevant policies and procedures, and reviewing of your induction processes.

For further information and assistance with human resource and risk management services, please contact LGIS on

 **(08) 9483 8888.**

WORK INJURY CLAIM FORM

When workers compensation becomes a common law claim

Although the WA Workers Compensation system is designed to be 'no fault' some claims will exceed the prescribed amounts if they become common law claims.

The 'no fault' nature of the workers compensation system means if a worker suffers an injury at work during the course of their employment, the injured worker is not required to prove negligence on the part of the employer in order to receive compensation.

At LGIS, our workers compensation claims consultants work together with you to ensure that each claim is managed as effectively as possible. This is focused on returning the injured worker back to work and/or the minimising of costs in accordance with the prescribed amount determined and reviewed by WorkCover WA every year.

WorkCover WA capped payments 2016

Every year WorkCover WA reviews the various types and prescribed amounts for workers compensation payments. These amounts determine the level at which a claim will be capped in terms of payment. Effective from 1 July 2016, prescribed capped amounts have been updated as follows:

Weekly payments: \$221,891

Medical/hospital: \$66,567

Vocational rehabilitation: \$15,532

Weekly earnings at: \$2,666

Common law claims can be costly

Some workers compensation claims will unfortunately exceed the prescribed amounts if they become a 'common law' claim. Injured workers who have been assessed as having at least 15% of permanent whole person impairment and who can show that the injury was caused by the negligence of the workplace, can elect to pursue a common law claim outside of the statutory Workers Compensation system.



Whole person impairment between 15% and 25%

Common law damages currently capped at \$465,974.



Impairment of 25% and over

Common law damages are uncapped.

Risk management strategies work

In the last ten years, LGIS has managed 13 common law claims, with the most costly claim being in excess of \$500,000 in damages.

These claims were preventable had the local governments applied suitable safety and health risk management strategies. Clearly, the value of risk management initiatives to mitigate common law claims cannot be understated.

As a local government you can help to reduce injuries and satisfy your duty of care to your workers in many ways, including:

- ▶ Implementing a safety management framework
- ▶ Developing and communicating a robust safety policy
- ▶ Providing suitable training to managers and supervisors on safety responsibilities
- ▶ Conducting ergonomic assessments for workers
- ▶ Supporting workers through manual tasks training

LGIS provides a range of tailored safety and health services to our members as prevention risk management strategies that see us working together with you to reduce claims cost.

For more information on our services, and to understand more about common law claims, please contact LGIS on  (08) 9483 8888.

Keeping inland waterways safe



Water safety in your region should not only focus on traditional swimming and recreation areas, as inland waterways present drowning risks too.

In Western Australia, as much as 24% of drownings outside the home environment in 2014/15 occurred at inland waterways. (Source: Royal Life Saving WA Drowning Report 2014/15).

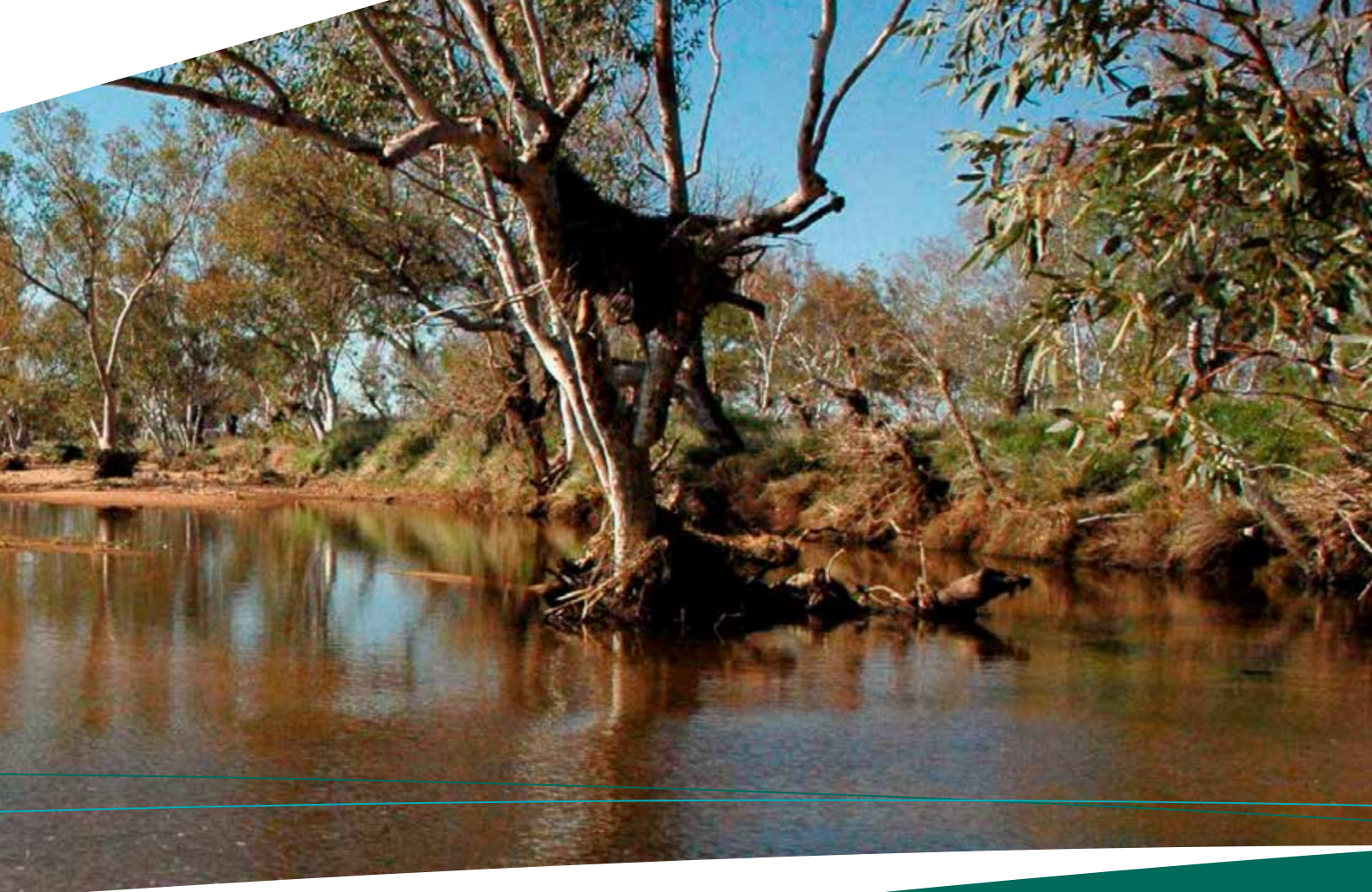
When considering your local government's aquatic based risks, attention is often focussed on beaches, swimming pools, and water playgrounds. Several other inland waterways however, within your control, also need attention, including:

- ▶ Rivers
- ▶ Lakes
- ▶ Open drains
- ▶ Drainage reservoirs
- ▶ Dams
- ▶ Weirs
- ▶ Swimming holes created from decommissioned mine sites

Inland waterways present multiple risks that can lead to physical harm, environmental issues, liability claims, reputation damage, and also significant workload and emotional impacts following incidents.

What are inland waterway risks factors?

Risk Factors	Examples (but not limited to)
Physical	Shallow / deep water
	Currents / flowing water
	Submerged obstacles
Human	Contamination
	Swimming abilities
	Consumption of alcohol
Activity	Unauthorised use
	Incompatible users
	Unfamiliar equipment
Operational	Inspection and maintenance
	Water sampling
	Event approval process




Guidelines for assessing risk

Remember that the quality of the environment is key to inland waterway safety. It is safer and easier for people to use and enjoy waterways when they are well structured with clear sightlines and appropriate separation distances.

You are encouraged to identify your inland waterways, even where water may not always be present. You should undertake a risk assessment that identifies hazards, determines the risks and existing controls, so that you can inform your decision making to fulfil a duty of care at those locations.

Consider these key aspects:

- ▶ Determine and implement appropriate control measures where access to water is either allowed (ie. warning signage) or not wanted/not appropriate (ie. barriers to water entry).
- ▶ Barriers to water entry may consist of dense vegetation, compliant pool fences or solid walls. Ensure any barriers are appropriate and suitable for the functions they are expected to perform, and that they do not create unnecessary hazards themselves.
- ▶ Ensure adequate separation distances between water bodies and playgrounds, picnic facilities and recreation areas. It is generally suggested anything with less than 30 metres of separation may need additional risk treatments implemented.
- ▶ Ensure structures such as bridges, viewing platforms, pontoons and walkways are suitable, fit for purpose and are appropriately inspected and maintained.
- ▶ Consider the proximity and appropriate controls for natural and man-made waterways in or near developments and their location relative to residential allotments.

For more information or support for your inland waterway safety strategies, please contact the LGIS risk and governance team on  (08) 9483 8888.

CASE STUDY

While considering a playground equipment upgrade at a valued community location, a local government identified that the equipment was within a designated stormwater runoff and overflow area.

Following engagement with LGIS, a detailed risk assessment was undertaken including input from multiple stakeholders. A number of risk treatment options were identified, ranging from removal of the playground equipment and redesign of the drainage network, to erecting fencing or barriers, or doing nothing.

By understanding the risk, consulting with stakeholders and reviewing the risk treatments in light of the local government's risk tolerance, an informed decision was made to:

- ▶ Remove the playground equipment that was directly within the stormwater run-off and overflow area.
- ▶ Install new playground equipment and associated recreational infrastructure more than 30 metres from the designated stormwater runoff and overflow area.
- ▶ Install warning signage that advised clearly of the hazards present at the location.
- ▶ Schedule and document inspection and maintenance activities to ensure, in particular, that clear lines of sight are maintained in the location.
- ▶ Include a notification within internal systems if there are any changes to the drainage network and known stormwater runoff or overflow predictions at that location.

The above approach worked for this local government at this location, but it may not be a suitable solution for others. We encourage you to contact us to ensure informed decisions are made for inland waterways risks.

Why a psychologically safe workplace matters

Eliminating psychological risks and hazards for your workers is a vital part of creating a safe and healthy work environment.

This means ensuring your workplace is free from hazards such as harassment, discrimination, bullying, violence and mental stress that could cause harm to workers health. Under the *Occupational Health and Safety Act 1984*, employers have a legal responsibility to do what is reasonably practicable to eliminate or minimise risk to workers health and safety, including physical and psychological hazards.

As an employer, you are also required by several legal and statutory requirements to provide a psychologically safe and healthy workplace:

- ▶ *Occupational Safety and Health Act 1984 (WA)*
- ▶ *Workers' Compensation and Injury Management Act 1981 (WA)*
- ▶ *Disability Discrimination Act 1992 (Cth)*
- ▶ Anti-discrimination and Equal Opportunity laws



The cost of mental health

Mental health conditions cost Australian workplaces a staggering **\$10.9 billion per year**. This is made up of \$4.7 billion in absenteeism, \$6.1 billion in presenteeism and \$146 million in compensation claims.

Over the five years from 2012 to 2016, LGIS managed a total of 238 psychological workers compensation claims costing a total of \$8,499,246. This accounted for 4% of claims but 9.5% of total costs. Although psychological injury makes up only a relatively small proportion of all claims, they tend to involve longer periods off work and higher medical, legal and other claims payments.

Mental health concerns account for the longest absences from work, even when compared with physical injuries (ABS Social Trends, 2011). Over the past five years, the average cost per LGIS psychological claim is \$35,711 compared to \$14,989 for physical claims.

For every \$1 invested in mental health initiatives there is an average return on investment (ROI) of \$2.30. And when organisations provide support, workers compensation claims can halve.



Impact on your workforce

Mental health and workplace stress can have a significant impact upon the workplace. Over the past five years, LGIS' data reflects that:



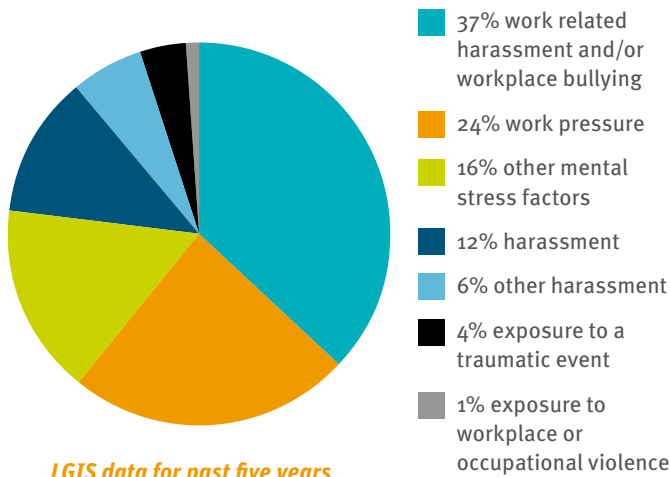
Is the average LTIs (Lost Time Injuries) resulting from a psychological claim.



In reduced productivity, for Australian businesses annually due to mental health conditions.

(Managing Mental Health in the Workplace, 2014) and (PricewaterhouseCoopers, *Creating a Mentally Healthy Workplace: Return on Investment Analysis, 2014*).

Reasons for psychological claims



6

Causal factors

The six causal factors that negatively affect organisational health, the health of individual employees, and the bottom line are:

1. Demands
2. Control
3. Support
4. Relationships
5. Role
6. Change

Addressing these factors is key to creating and maintaining a psychologically healthy and safe working environment.



Two thirds of men and women say they experience significant stress while at work.



1 in 4 Australians has missed work because of stress. (Australian Psychological Association)



1 in 5 Australian adults had a mental disorder in the previous 12 months.



Almost half the total Australian population will experience a mental disorder at some time in their lives. (Mental Health Council of Australia).

Given these statistics above, it is likely that there are workers in your organisation who are directly or indirectly affected by mental health issues.

Benefits of a mentally healthy workforce



Managing psychological health in your workplace is paramount. LGIS will look at both preventative and reactive strategies to minimise human resources-related risks and reduce stress related workers compensation claims within your organisation. We recognise that prevention is better than a cure and can assist you to be proactive in managing and developing people in your organisation.

For more information and assistance in managing your employees' mental health, please contact the LGIS human resource risk management team on (08) 9483 8888.

