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RISK MATTERS



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CEO's Message



JONATHAN SETH

CEO LGIS WA

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We have hit the ground running into 2019, and as we head into renewal time for your scheme protection and non-scheme coverage, your Account Chair and Account Manager will be visiting to run through the review and discuss your protection, claims performance, and risk management requirements for the upcoming year, and any other issues and opportunities you've identified.

We are in the final stages of our biennial marketing survey, which targets executives, elected members, and operations staff. In the interim report, you identified your greatest risk as property and infrastructure (asset management). It is fitting, then, that our feature story for this edition touches on this through looking at how to manage construction risks. As we know, construction and engaging contractors is an integral part of every local government's responsibility to the community, and it is essential to ensure you are properly protected. You can read more on this topic on page 4.

Every year, our LGIS Board of Directors heads out to one of our regional members, to see firsthand the excellent initiatives local governments are providing their communities. This year the Board visited the Shire of Northam and had the significant pleasure of touring the new Bilya Koort Boodja Centre for Nyoongar Culture and Environmental Knowledge, followed by didgeridoo and dance entertainment and a cocktail reception.

With over 60 local government executives and elected members from 11 surrounding member councils, it was a fantastic opportunity to chat about day to day issues and how your scheme assists.

A big thank you to Shire President, Cr Chris Antonio, and CEO Jason Whiteaker for hosting us. I encourage everyone to head over to the Bilya Koort Boodja Centre in Northam when you're in the area – you won't be disappointed.

You can view photos from this event in our Members in Focus section on page 19.

I'm also pleased to highlight the excellent work of many of our members in this edition. From the City of South Perth's outstanding cultural change, to the Shire of Murray's first class audit preparations and OSH award, to the Shire of Narrogin providing support to their home and community care workers. We also look at the risks associated with chemical weed control, and our experts answer your questions around managing a multigenerational workforce and what to do in the incidence of a workplace injury. As always, I encourage you to take advantage of our 'Ask an Expert' section and email any questions you may have for our knowledgeable staff through to me or Olivia.lawley@lgisw.com.au.

If you have any questions about our Risk Matters magazine or if you would like to discuss any matter relating to your membership, cover, claims or risk management services with LGIS, please contact me directly on 9483 8855.

Jonathan Seth
CEO

Shire of Narrogin looks after their HACC workers



Home and Community Care (HACC) workers face unique risks in their day to day roles. The Shire of Narrogin recently engaged LGIS to provide manual task and client handling workshops tailored to this industry, to best prepare their HACC workers physically and mentally.

Aged care workers provide personal, emotional, and physical support to older persons and people with disabilities who require assistance in their own homes. They carry out duties within the clients' defined care plan and are critical to clients wanting to:

- ▶ Continue living in their own homes
- ▶ Develop and use their skills
- ▶ Form social relationships
- ▶ Increase feelings of self-worth

HACC workers have very special qualities that enable them to fulfil their duties, including but not limited to:

- ▶ A caring and supportive attitude
- ▶ Patience, discretion and a high level of professionalism
- ▶ Good communications skills
- ▶ Physically fit and able to lift heavy objects
- ▶ Committed to the rights of elderly and impaired people

HACC workers are generally highly skilled in carrying out their duties; however there are significant physical and psychosocial risks involved. In 2017, LGIS consultants Lynn Cliff (HR) and Dane Casserly (Injury Prevention) saw an emerging trend in the loss of suitable training for HACC staff, an increase in injuries being sustained (both

musculoskeletal and psychosocial), and an increase in the demand for services.

This led to the development of a HACC workshop series to provide information and awareness training in regards to the risks associated with being a carer, domestic assistant, support worker or transport officer.

In late 2018, this program was strengthened again with the assistance of LGIS Injury Management Consultants Belinda Beros and Melyse Toparlak, who are both registered Occupational Therapists with experience in clinical hospital settings. With the experience and knowledge Belinda and Melyse bring to the team, the program now includes a theoretical and practical based session on client handling.

The HACC series has been developed based on best practice research and includes the following components:

1. Aged care overview
2. Working well
3. Operational requirements
4. Manual tasks
5. Client Handling

“LGIS presented manual handling training to the Narrogin Regional Homecare staff and it was excellent. Now they have developed it according to what is needed in the Home and Community Care industry it would be fabulous for other local governments.”

**- Lynne Yorke,
Manager Community
Care Services
Shire of Narrogin**

If you are interested in workshops tailored to your HACC staff, or any other services by the LGIS WorkCare Services team, please contact WorkCare Services Manager Renee Wockner on 9483 8826

Constructing solid cover for your contract works

Whether your local government is large or small, metropolitan or regional, you will invariably engage contractors for a wide range of services. Office workers, construction projects, outdoor workers, the list could go on – while your local government couldn't run as smoothly without them, the risks associated with contractors needs to be considered.

How contracting in local government differs to other sectors

In local government the rules of contracting share many basic similarities with contracting in the private sector. However there are two subtle, though notable, differences which often go unappreciated, and of which you should be aware, as both have their own risk implications:

1. Contracting in local government is often not a level playing field. In some instances you will negotiate from a position of strength because you have choice and are able to dictate the terms. Alternatively, you may be negotiating from a weaker position because you have little or no choice, and you must either accept the other party's terms or there is no agreement. Often the playing field is dictated by whether you are a 'term giver' or a 'term taker'. As a 'term taker', you may often be subject to onerous contractual risk obligations by way of indemnities or limitations on liability. Additionally, the terms of the contract may deprive you from recovering losses attributed to the other party, presenting significant risk to you.
2. You are expected to meet a high standard of conduct throughout the contracting process. Higher standards indeed than those that apply to ordinary market participants. You must adhere to a closely controlled tendering process, comply with statutory standards, financial reporting obligations and, where disputes arise, conduct yourself as a model litigant. There are numerous justifications for expecting higher standards but there is no doubt that you are expected to behave impeccably when it comes to best making use of public resources.

Determining the risks

Now that we've looked at some of the unique risks local governments face when recruiting contractors, it's essential to consider the risks in the roles contractors may be hired to complete.

Using contractors is vital for most local governments to provide services to your communities. Whether using an administrative temp or undertaking high risk construction work, all contractors come with a degree of risk, and that risk should never be underestimated.



Like all businesses, when you engage contractors, the *Occupational Safety and Health Act 1984* establishes employers have a duty of care to ensure the safety and health of the contractor and the contractor's employees.

When contracting out work, all work poses risk depending on varying factors. These factors change depending on the works and may include such things as:

- ▶ Type of work
- ▶ Duration of work
- ▶ Hazards associated with the work
- ▶ Cost of the work
- ▶ Amount and type of contractors used
- ▶ Where work is being undertaken
- ▶ License requirements

One way to manage these risks is through the OSH Contractor Management Toolkit. Whilst only one part of the contractor management jigsaw, the toolkit provides you with guidance, actions, easy to follow flowcharts, templates and forms that will go towards ensuring working with contractors will not become a burden to your local government.

There are three components to the toolkit:

- ▶ Developing an OSH contractor management policy – demonstrate your commitment to fulfilling your duty when using contractors. Another way you would do this could be to include your contractor commitment in your existing OSH policy. The policy should be endorsed by the Chief Executive Officer, and implemented across your local government. The policy should be communicated to all persons involved in the management of contractors, and to the contractors themselves.
- ▶ Establish the requirements and procedures for managing each contractor – to be used when you are planning to engage a contractor to undertake work on your behalf. There are three steps to this process:
 - Define the scope of work and determine the risk classification. When defining the scope, many things should be determined including:
 - The proposed work
 - Contract type
 - Cost
 - Duration of works
 - Who the contract manager will be
 - The hazards to which the contractor and local government are exposed

- Select and follow the low, medium or high risk flowchart
 - Using the classifications from the above step, select the appropriate flowchart. We encourage you to go above the level of risk – for example, if you classify the risk as medium, however you want to follow the high risk flowchart, this would be considered good practice. If however you classify the contract as medium, but want to follow the low risk flowchart, this is discouraged.
- ▶ Keep records
 - Keeping documentation and records (both developed by the local government and submitted by the contractor) is important for a number of reasons:
 - Demonstrates that you took reasonable steps to manage the risks associated with the contract
 - Enables you to hold the contractor accountable
 - It's good business practice

For more information on how to manage your contractor risks or for a LGIS OSH Contractor Management Toolkit, contact the LGIS risk and governance team on 9483 8888, or your regional risk coordinator.

An example of risk levels



Low risk

Low risk is work undertaken by contractors that have a low to negligible risk of workplace injury or illness from the scope of work. The work is generally of short duration and does not involve construction work.

EXAMPLES INCLUDE:

Administration work, delivery and supply, service consultants, minor maintenance and repair of office equipment, testing and tagging fire extinguishers and electrical equipment.

Medium risk

Work is classified as medium risk if it involves service related work; it can be of short or long duration and does not involve construction work.

EXAMPLES INCLUDE:

Outdoor work (non-construction), installing and maintaining non-office based equipment such as gyms and pools, out of hours cleaning services, minor maintenance and repair of mobile plant and equipment, provision of homecare services, works of moderate value.

High risk

Work is classified as high risk if it involves, or is in connection with construction work, or if significant risk is identified through the risk classification process.

EXAMPLES INCLUDE:

Any construction work, using multiple contractors and/or subcontractors, significant maintenance work, confined space, asbestos and demolition, working above 2 metres, electrical work, use of subcontractors, works that pose a significant risk to the general public, works requiring a high risk work license, works of considerable value.

Extreme risk

If you classify the risk as extreme, the work should not proceed until the risk level can be reduced.

What is 'principle indemnity extension'?

Consider this – your local government engages a labour hire contractor to provide an employee on your project. One day, the labour hire employee injures themselves, and as you would expect, makes a claim on their employer's workers' compensation insurance for weekly payments, medical costs and vocational rehabilitation costs. The employee subsequently makes a common law claim against you, claiming that the injury occurred due to your failure to provide a safe and proper work environment. This may trigger a claim under your liability protection; however there is a more effective way to protect yourself.

Allocation of risk is crucial in labour hire contracts. Labour hire contractors should be responsible for the suitability of the personnel supplied, and local governments should have appropriate indemnities in place. We recommend that local governments require the labour hire contractors to provide (from their workers' compensation insurance) a

“principal indemnity extension and waiver of subrogation in favour of your local government for statutory benefits and common law liability for injuries sustained by their employees during the course of performing the work under the contract”.

In the example above, if the labour hire employee makes a common law claim against you, you can access the contractors' insurance to indemnify you. This will also prevent the workers' compensation insurer seeking recovery against you, which they are likely to do if the employee makes a successful claim against you.



Fact: Your scheme has responded to protect members with payments of over \$1M in relation to injuries sustained by labour hire employees which could have otherwise been avoided.



What's a 'waiver of subrogation'?

A waiver of subrogation is where the contractor's insurer has agreed to relinquish the right to seek recovery from your local government in the event of an incident relating to injuries sustained to the contractors' employees.

For more information on principal indemnity extensions, please contact your LGIS member services account manager on 9483 8888.

Protecting major works for your community

In providing for your communities, local governments often embark on new projects, like the construction of a new building, or an upgrade or extension of an existing asset.

Consider this - your local government's brand new recreation centre is nearly finished. It's taken 14 months to get here and now there's real excitement and anticipation across the whole community – from the local netball league to playgroup and the indoor cricket club, there's even talk of a new roller derby team launching. People are already getting excited about the grand opening.

The centre is only months away from officially opening when disaster strikes and a fire runs through the construction site destroying a large section of the building. You then discover that the contractor's

building insurance includes inadequate sublimits and that you've got no control over the adjustment and settlement of the claim. To make matters worse all of the settlement is paid to the contractor, including the progress payments that your local government has made.

If this hypothetical situation occurred do you know what your local government would do? Would you be able to take control of this important community project and make sure it gets finished?

Unfortunately it's not uncommon for something to go wrong on big local government projects – fortunately there is something that you can do to take control of the situation - make sure you take control of the contract works insurance.

Traditionally, the 'principal' (local government) passes the responsibility for implementing insurance of the works and third party (public) liability insurance to the head contractor. The contractor must include all parties, including subcontractors, on the cover.

However, increasingly, local governments are looking for more involvement in the arrangement and handling of these covers.

In response to this growing demand, LGIS have introduced the Public Sector Construction Facility (PSCF). This is a fully intuitive online portal which only requires essential contract information, allowing you to quote and take out cover instantly for major projects, with bespoke policy documents for your project provided immediately.



What does sublimit mean?

A 'limitation' in an insurance policy is the amount of coverage available to cover a specific type of loss. A sublimit is the maximum amount available to pay that type of loss. For example, your project is covered by the contractor's insurer for a value of \$500,000. The policy has a sublimit of \$100,000 for removal of debris following a loss. The actual cost to remove the debris is \$200,000, but the insurer will only pay a maximum of \$100,000 - even though the policy has an overall limit of \$500,000.



Your questions answered

Moving to arrange our own insurance feels like more unnecessary work, why would we want to change our current process?

Quite the contrary - while it may look to be more work on the surface, principal-arranged programs are considered far less administrative. Procuring your own construction insurances means you don't have to request and scrutinise all tendering contractors' insurances, as well as keep records of their insurances on file.

The PSCF system has been designed for ease of use. It takes five minutes to produce a quotation via PSCF – and you know the policy will comply with your contract requirements.

It seems hard to change everything, how can we test the PSCF for price before we do anything?

Price quotations supplied by contractors on a tender schedule will usually include a mark-up (overhead or margin mark-up) for procurement, in the same way that materials sourced by a contractor may be at a marked up price.

The PSCF gives you an opportunity to test the coverage and price of insurance quoted by contractors to ensure the best value is procured with public funds.

One method is to obtain a quote through tender responses with and without insurance cost. The quotations can then be tested against the PSCF. This will ensure that best price and value for money is being procured.

A large number of local governments across Australia have already found significant savings or achieved broader coverage (or a combination of both).

Should this insurance cost be of lesser value or dollar amount through the PSCF, it allows you to demonstrate the transparency of how public funds have been used to provide commensurate cover to the risk as well as value for money.

Moving to arrange our own insurance feels like more unnecessary risk for our local government, why would we want to change our current process?

Your local government has an insurable interest in both the material damage and liability risks of the project. You make progress payments towards the works, and this includes costs for insurances. It's important to ensure the cover is broad to protect the local government's interests.

Relying on the contractor's insurances can create greater risk to you if the contractor's insurance isn't adequate. Should this be the case and they have uninsured losses, contractors may seek variations to the contract price in order to enable them to complete the project.

In the event of a claim, you are a named entity under a contractor arranged insurance program, and therefore will be relying on this policy. As such, you should want to review each insurance contract to ensure there are no gaps in coverage, the appropriate clauses are in place, or there are no exclusions limits or sub-limit that will cause issues.

Without doing this, you will be at the mercy of a contractor's policy (which may or may not be suitable or broad).

Taking responsibility for the insurance through the PSCF relieves the responsibility to check the fine details in policy wordings and the overall adequacy of coverage if other parties were arranging the insurances. You have certainty the cover is bespoke to your project and not a policy based solely on protecting the business of the contractor.

We do not want to change the currently mandated process as we feel that there is no compelling reason to do so.

There is less work and less risk with principal arranged insurances. This is especially true when it comes to the contract. If a contractor becomes insolvent mid-project, insurers for the contractor are highly likely to cancel the policy from the time that the contractor is declared insolvent – leaving you with an incomplete and uninsured worksite.

The PSCF policy provides continued cover to you should the contractor become insolvent and it also pays up to \$25,000 for reasonable costs of re-tendering works. The benefit of having insurance for the whole of the works means fewer restrictions on cover when a new contractor is appointed.



Your questions answered *continued...*

We have to change all our contracts and tender documents. This is very complicated and we are unsure of how this would be done.

For a principal controlled insurance program to take effect and become embedded in your process, first you must take a few simple steps in altering the draft contracts and tender schedules that form part of your procurement methodology. Most templates for local government contracts have options for either contractor controlled insurances, or principal arranged insurances. Your first step is to change the clause to reflect the latter.

Alternatively, in the tender schedule you can ask for two separate quotations from the contractor, one including insurance costs and the other without. Once the tender responses are returned, you can assess and compare to make an informed decision on which is best for your local government.

We only appoint reputable contractors via our tender process anyway, contractor insolvency is not an issue for us

Many reputable builders have become insolvent regardless of size and number of years in business. If a contractor becomes insolvent mid-project, their insurers are highly likely to cancel the policy from the time that the contractor is declared insolvent – and as mentioned above, this renders you with an incomplete and uninsured worksite.

All coverage is the same, why wouldn't we leave it with the contractors?

The PSCF provides cover that is bespoke to the needs and exposures that local government entities encounter during the oversight of construction projects. Coverage has been specifically designed to protect local governments rather than accepting the pre-set conditions of any particular contractor's insurance.

In the construction industry, there is no standard coverage and if each different policy is not checked for cover then you may be exposed for any uninsured losses under a policy put in place by someone else.

Our contractors tell us they get a good price, we have never had issues with coverage?"

Contractors have a mark-up for procuring insurance (just like anything else) and this is built into their cost for tendering. Should the contractor have a poor claims history, the on-costs of their insurances may be significantly higher than what is available via PSCF – where you are not penalised for the claims experience of the contractor.

As the insurance purchase is as a single policy subject to case by case contracts, we are able to secure more competitive premiums based on scale and diversity of risk.

We don't want to get involved with any claims issues as it will be very complicated for our local government."

Claims are an important aspect of any insurance contract. This can be instrumental in achieving the timely completion of the project, and ensuring funds are recovered in a timely manner.

In the instance of contractor placed coverage, you as principal will have little communication and very little visibility or control over the claims process – and inevitably the outcome. Meanwhile, work may stop and the project may be delayed.

In the instance of principal placed coverage, you will be able to have your claim advocated by LGIS, full visibility of the claims process, and be able to plan adequate action to keep the project on track in the case of contractor insolvency.

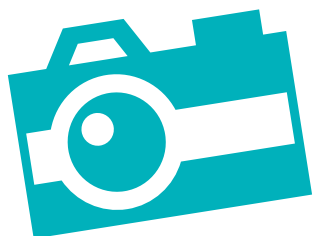
What types of projects can be insured using the PSCF?"

The PSCF will consider a diverse range of local government major works projects including, but not limited to:

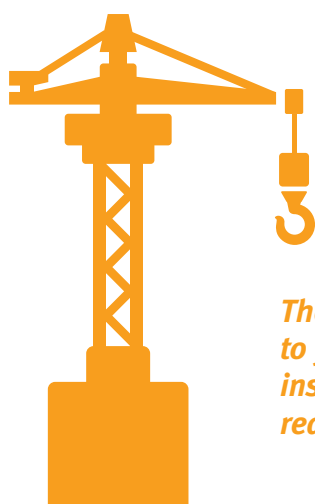
- Construction of new buildings
- Refurbishment of existing buildings
- Swimming pools
- Road construction
- Earthworks
- Landscaping
- Bridges
- Jetties
- Tunnels
- Airport runways



The PSCF in a snapshot



- ▶ Specifically designed coverage, rather than accepting the pre-set conditions of any particular contractor's insurance.
- ▶ Maintain control over the adjustment and settlement of losses (including receipt of claims monies). This can be instrumental in achieving the timely completion of the project.
- ▶ Ensure continuity of coverage throughout the duration of any project for all work undertaken.
- ▶ If any party associated with the project is discharged or is unable to complete their obligations, you will be guaranteed that insurance coverage will remain in place.
- ▶ You are not reliant on the past claims history of the contractor, and as the insurance purchase is as a single policy subject to case by case contracts, we are able to secure more competitive premiums.
- ▶ One insurer underwrites the policy of insurance, eliminating any conflict that could potentially arise if independent contractors were to arrange separate cover through their own insurers.
- ▶ Relieves you of the responsibility to check the fine details in policy wordings and overall adequacy of coverage if other parties were arranging the insurances.
- ▶ Enjoy uniform coverage over all contracts, ensuring that each individual contract is adequately insured in line with your specific requirements.
- ▶ With one policy issued in the name of the local government including the contractors, subcontractors and other interested parties, each party will be covered from their respective appointment date and their interests uniformly protected



The PSCF policy provides continued cover to you should the contractor become insolvent and it also pays up to \$25,000 for reasonable costs of re-tendering works.

For more information on the PSCF, contact your LGIS member services account manager on 9483 8888.



Stepping into safety – preparing for great results

A common misconception is that safety assessments are there to trip you up – untrue! They're an opportunity to showcase your processes and policies, and identify areas for improvement. You don't have to be perfect, as long as you are engaged, and remember there are ways you can prepare for assessments to get positive results.

At the end of the day, we all want to get home safely - and we want that for our colleagues and communities, too. Occupational safety and health (OSH) plays a vital part in keeping us all safe, and operations running smoothly - and it must be reflected in your workplace policies and culture.

Why undergo an assessment?

The process of being assessed can seem daunting; however assessments are a great opportunity to:

- ▶ Celebrate your achievements
- ▶ See how you are performing against criteria
- ▶ Identify gaps or areas for improvement

Remember - assessments are not done to pick holes.

Shire of Murray provides excellent framework to achieve results

The Shire of Murray is an excellent example of how preparation leads to success.

With over 200 employees and established safety policies, the Shire falls into Tier 3 of the 3 Steps for Safety program.

The Tier 3 assessment tools have been developed using the WorkSafe Plan and AS/NZS 4801, which means you have the option of being assessed against either

tool, dependant on your local government's needs and desires. When last assessed in 2018, the Shire achieved a score of 80% - an excellent accomplishment equating to a Tier 3 Silver Diligence in Safety award.

To prepare for their assessment, the Shire used the following four key points.

1. Build culture

- ▶ Integrate the desire for continual improvement into your safety culture
- ▶ Seek commitment from the executive team and Council
- ▶ Ensure your local government has OSH plans in place, and that they align with your local government's overall safety objectives

2. Communicate

- ▶ Include information on your safety procedures at inductions – safety culture starts from day one
- ▶ Safety leadership from executives, through active participation and promotion
- ▶ Consult with workers and communicate the assessment date and what part they will play
- ▶ Use communication methods like newsletters, committees, engage safety representatives, start Toolbox and departmental meetings


3. Gather evidence

- ▶ Be familiar with the assessment tools and the evidence required to demonstrate how you meet the criteria
- ▶ Gather your evidence - add notes, hyperlinks, or embed documents and references from your document management system for each criteria
- ▶ Remember – the more evidence, the better!

4. Prepare for the assessment

- ▶ Brief all parties who will participate in the assessment, including the executive leadership team – cover the assessment criteria and desired outcomes
- ▶ Meet relevant departments and OSH representatives – cover what they can expect and gather additional evidence
- ▶ Undertake thorough inspection of the workplaces
- ▶ Allocate adequate preparation time before and during assessment
- ▶ Prepare and develop a schedule and book times with relevant staff to meet with the assessor

Key to the Shire’s success is the commitment to continuous improvement – safety is a continuous cycle, not something to be forgotten about once the assessment process is over. Successful assessments come out of organisations that live and breathe safety culture.

For more information the 3 Steps to Safety program or assistance for your next assessment, contact the LGIS OSH team on 9483 8888, or your regional risk coordinator. 

IMAGES
P 10 L-R: (Debbie Wilkin (HR & OSH Co-ordinator, Shire of Murray), Nicole Wilson (Corporate Planning and Risk Officer, Shire of Murray), Jonathan Seth (CEO, LGIS), and David Bolt (Shire President, Shire of Murray)

P11: Congratulations to the Shire of Bridgetown-Greenbushes – awarded a Diligence in Safety Award in March 2019.

Getting ready for an assessment – advice from LGIS:

- ▶ Be positive
- ▶ Engage with the assessor and your staff
- ▶ Prepare, prepare, prepare
- ▶ Ensure that a resource is available to the assessor for the duration
- ▶ Honesty is the best policy - a trained assessor will see through the spin
- ▶ Think about the criteria - what the criteria says is what it means
- ▶ Communicate – no surprises
- ▶ Put your evidence together - if unsure of relevance, present it and let the assessor decide (something is better than nothing)
- ▶ Be realistic about how to address gaps
- ▶ Monitor progress
- ▶ Celebrate your achievements

How can your safety performance be assessed?



The LGIS 3 Steps to Safety program recognises the diversity across local governments in WA. The program is designed around the size of your workforce and your operations; and the unique challenges you face that impact the development of safety policies, procedures and practices. Our aim is to work with you to constructively develop safety behaviours.

This program uses a tiered approach, incorporating three steps that assist you to improve, maintain and enhance your occupational safety and health performance. These steps are ‘assess, plan, and act’:

PROGRAM TIERS	STEP 1 - ASSESS	STEP 2 - PLAN	STEP 3 - ACTION
TIER 1	Members who have limited policies, procedures and resources. FTE max 30	Safety assessment using the Tier 1 checklist	OSH Action Plan developed between LGIS and the member
TIER 2	Members who have existing policies and procedures. FTE max 100	OSH Action Plan developed between LGIS and the member	OSH Action Plan implemented by the member with the assistance of the LGIS OSH Team/RRC
TIER 3	Members who are performance based or have well established policies and procedures	System review against the requirements of the Worksafe Plan or AS4801	OSH Action Plan developed by the member and reviewed by OSH Team/RRC
			OSH Action Plan implemented by the member with the assistance of the LGIS OSH Team/RRC

CONTINUOUS IMPROVEMENT

Members assessed through the 3 Steps to Safety program have the opportunity to be recognised with a Diligence in Safety Award. The criteria for these awards are:

Certificate	Criteria
Tier 1 Diligence in Safety Certificate	> 90% against Tier 1 Checklist
Tier 2 Diligence in Safety Certificate	> 80% against Tier 2 Checklist
Tier 3 Silver Diligence in Safety Certificate	> 75% against Tier 3 Checklist
Tier 3 Gold Diligence in Safety Certificate	> 90% against Tier 3 Checklist

Did you know?

When being assessed against the WorkSafe Plan through the LGIS 3 Steps to Safety program, we can use the findings to apply for a WorkSafe Plan certificate. There are additional criteria to do this that our assessors will discuss with you. The Shire of Murray took this option and pleasingly are now the recipient of a Gold WorkSafe Plan award, while the Shire of Augusta-Margaret River was recently awarded a Platinum WorkSafe Plan award.

Don't get caught in the weeds

Many a handy home gardener decries the spread of weeds in their home's green pride and joy. So too the war on weeds affects local governments – though on a much larger scale. Weed management – and the chemicals used – is an essential part of your local government's responsibilities to your community.

Weeds are often introduced plants, which grow and spread rapidly, competing with native plants for water, nutrients, light and space. They're not the right food source for our native animals, and can create highly flammable fuel loads. They can also impact our communities by degrading parks, verges, public access ways and natural areas.

Local governments have several weed management responsibilities. These include encouraging responsible weed management, liaising with landowners while managing weeds on local government lands, and assisting community weed management programs, amongst others.

Chemical weed control is often used by local governments, and while effective, requires a careful risk assessment and consequence considerations, because the use of chemical herbicide may cause:

- ▶ Injury to people
- ▶ Damage to property
- ▶ Damage to the environment

The source of these risks can arise at any stage of the process, for example:

- ▶ Transport (contamination)
- ▶ Storage (contamination)
- ▶ Handling/mixing (contamination and injury)
- ▶ Application (contamination and injury)
- ▶ Disposal (contamination and injury)

Local governments are responsible for the safe use of chemicals in each process of weed management – before, during and after the chemical is used.

Who or what is at risk?

1. People:

- ▶ Employees
- ▶ Public

In relation to people, local governments may be exposed to liabilities concerning workers' compensation or personal injury to members of the public. People may suffer illness as a result of pesticide or chemical exposure, such as skin contact or inhalation and ingestion.



2. Animals

Native, wild or privately owned animals could suffer illness or death as a result of exposure.



3. Property

- ▶ Crops

It is essential to consider the risks posed to neighbouring property prior to the use. Damage to property, such as crops, can result in financial losses.



4. Environment

- ▶ Pollution
- ▶ Contamination

Environmental damage from chemicals includes water/soil contamination, impact on native vegetation and wildlife, and pollution. As an example, studies show that the use of chemicals may impact the land's biodiversity by killing insects.

It's important to note that there could be criminal prosecutions and administrative proceedings (such as fines and civil claims), relating to environmental damage.





Assessing the risks

An assessment should always be the first step when looking at ways to mitigate risks. It is essential to carry out a risk assessment of the chemical being used, the environment, and application.

Does the use of this product create or increase risk for people, animals, crops or the environment? Are there any reasonable measures available to eliminate or mitigate these risks?

These questions should be asked within the context of the specific circumstance and before the chemical is used, because the use of chemicals in one area may not

create the same risks if used in another area (e.g. urban and rural areas).

Ask yourself the following:

1. Can we eliminate the risk – is that reasonable?
2. Are there safer products?
- a. What are the consequences of doing this (cost, effectiveness, hazards created by the new product)?
3. Are you complying with the legal requirements?
4. Are you using the product in accordance with the instructions?



Compliance with legislation and regulations is mandatory; the *Health (Pesticides) Regulations 2011* specifies the requirements for the use of pesticides in public spaces.

Always check the products' Material Safety Data Sheets for minimum guidelines on storage, transport, handling, and application. Some other mitigation measures you should consider include:

▶ Transport – Check quantities and processes (e.g. no chemicals in the cabin of the vehicle), ensure correct protective equipment and documentation.

▶ Storage – Check the volume, whether you need a licence, and the conditions around storage (e.g. ventilation).

▶ Handling/mixing – Strictly follow the instructions and labels. Workers may require training, protective equipment.

▶ Application – Strictly follow the instructions and labels. Workers may require training, protective equipment. Do you need to notify neighbours or use warning signs in the area to inform people of the hazards?

Further to all of the above, it is essential to maintain records of all training, chemical management, and incidents.

All of these measures will help protect local governments from the liabilities involved with weed management.

For more information on your risks around weed management, contact the LGIS risk and governance team on 9483 8888.



The following Australian cases illustrate issues involving the use of chemicals:

Puntoriero v Water Administration Ministerial Corporation (2009) 104 LGERA 419

Potato farmers won a case against the Water Administration company. The water company added chemicals to the water to tackle an infestation of blue-green algae, and when the farmers used the water for irrigation, they lost their crops. The court found the conduct was found to be negligent because the water company did not warn the farmers about the use of the chemicals.

Perre v Apand (1999) 198 CLR 180

A farmer claimed damages on the grounds that the neighbour's conduct allowed potato wilt to spread in his land.

Tutton v Walter (1986) 3 WLR 797

The respondent's use of pesticide on their own crops killed the plaintiff's bees. This case was awarded to the plaintiff due to lack of warning and risk assessments taken out. ▼



City of South Perth's cultural transformation journey



How the City changed their workplace culture to enable their workforce's health and wellbeing to thrive and their workers' compensation claims to dive.

Did you know working age adults spend around one-third of their lives at work? It makes sense, then, that a range of workplace factors – physical environment, organisational structure, culture, and the nature of work tasks – can impact their health and wellbeing.

More and more Australian business leaders recognise that “healthy workers equal healthy organisations”. Evidence shows workplace health and wellbeing programs not only have real potential to positively influence the health of your workforce, they also make good business sense – increasing employee engagement and team cohesiveness in the short-term, and leading to reduced absenteeism, reduced injury and illness, increased productivity, and improved corporate image in the longer term.

Workplace culture is essential to positive health and wellbeing. Culture embodies the values, vision, behaviours and attitudes of workers in an organisation. Workplaces that appreciate how vital company culture is, understand they must invest in their people if they are to thrive. Keeping your workers satisfied and motivated is not only best practice in running a business, it could also save you money in the long run. Your

workforce is your greatest investment; hence your culture is paramount to your organisation's wellbeing, and when engaged successfully, can lead to extremely positive results.

The journey

The City of South Perth is a progressive local government which prides itself on delivering excellent service to the community. It is a mid-size metropolitan local government with approximately 260 full time employees (FTE). The City's commitment to cultural transformation originated from the failed efforts to transform the sector and proceed with local government amalgamations. At the same time, their workers' compensation claims costs reached over \$600K*, and their lost time injury frequency rate (LTIFR) peaked at 19.0.

In 2015 the City of South Perth started their cultural change journey with the appointment of a new Chief Executive Officer and the formation of a leadership team to take responsibility and drive change. Along with this, the City formed Cultural Optimisation Groups (COGs) made up of employees from across the City who came together to develop and

implement a range of initiatives to assist in improving the City's culture and morale. Some of the initiatives introduced by the COGs included the development of a team charter, an employee newsletter, and a reward and recognition system.

In 2018 the City created a new set of core values that aimed to go beyond the leadership level, by ensuring all employees understood the importance of the City's values, the ways of working, and to reinvigorate their sense of purpose. Extensive consultation with employees and elected members was conducted and the City's new set of core values were agreed upon: Respectful, Supportive, Unified and Accountable.

As part of the City's workforce planning, and to further support its workforce to continue to deliver high quality community outcomes, the City identified five key focus areas:

1. Shaping our culture
2. Developing a professional and capable workforce
3. Actively promoting safety, health and wellbeing
4. Driving high performance
5. Embracing diversity and inclusion



What does LTIFR mean?

LTIFR refers to lost time injury frequency rate. It is a measure of the number of lost time injuries that occur in a workplace per every million hours worked. The lower the number, the better!

Discovering the benefits of a health and wellbeing program

Whilst the City had a preventive workplace health program in place since early 2000 (e.g. flu vaccinations and skin screening), a key component of their cultural transformation included the need for a holistic program to promote all round worker wellness. A Health and Wellbeing Committee was formed and a comprehensive program was developed based on best practice principles, business objectives, and employees' needs and interests. The City's key focus areas in health and wellbeing included movement, nutrition, mental health, and wellness.

Movement – The City introduced a number of programs which focused on exercise and physical health at work, such as a 10,000 Step Challenge, Fit 24 Wellbeing Challenge, and the SafeSpine injury prevention program.

Nutrition – The City actively encourages employees to achieve and maintain a healthy weight by providing easy access to healthy living programs. In 2016 the City began running a 10 week coaching program that focused on diet, fitness, meditation and sleep. The City runs this program every 3 – 4 months with 63 employees having participated since the program's commencement.

Mental health – The City offers its employees and their immediate family access to confidential support through their Employee Assistance Program. The City also run mental health workshops focusing on self-management techniques, identifying signs & symptoms of stress, building resilience, as well as coping strategies and tools to enhance self-care.

Wellness – In addition to the City's targeted programs, they also offer additional free benefits, including:

- ▶ A comprehensive Smoke Free Policy and support services to staff members wishing to quit or cut down smoking

- ▶ Provision of end of trip facilities (e.g. showers, changing rooms, lockers and bike racks) that enable staff to participate in physical activity before, during or after work
- ▶ Provision of sit-stand workstations to staff and promotion of standing and walking meetings
- ▶ A Travel Smart Plan which encourages staff to actively commute to and from work
- ▶ Prevention programs including flu vaccinations, skin screening and health assessments
- ▶ An online health portal, which includes information about healthy cooking, risks of smoking and alcohol, fitness, physical and mental health issues
- ▶ Provision of free exercise classes scheduled during and after work as well as promoting corporate sporting events
- ▶ Prizes for staff who participate in group fitness sessions and health related activities

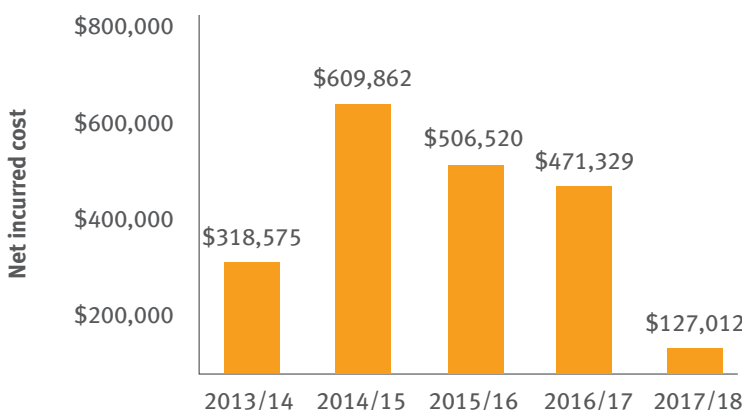
“People and culture are vital aspects of any successful organisation. A positive culture can help attract and retain loyal and committed employees, which, in turn, can strengthen relationships with customers and the community. - Geoff Glass, CEO, City of South Perth”

Outcomes

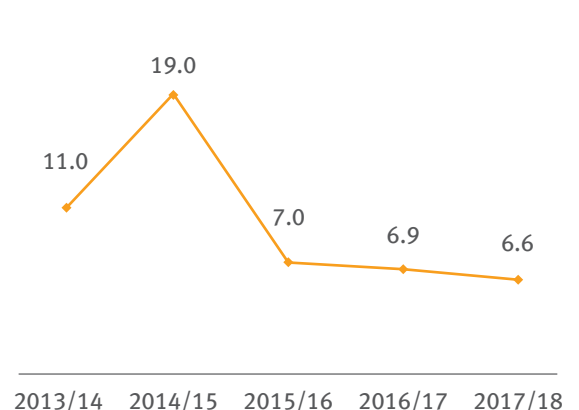
The City assessed their culture through the Organisational Culture Inventory/Organisational Effectiveness Inventory (OCI/OEI) culture survey firstly in 2015, and again in early 2018. The survey results concluded that the areas the City has spent time prioritizing had seen the greatest improvements over that time. The City has also seen significant improvement in their workers' compensation performance since the implementation of their cultural transformation journey. The City's claims costs have reduced to just over \$127K*, and their LTIFR has reduced to 6.6. The City was also awarded Gold recognition from Healthy Workplace WA, recognising the City's ongoing commitment to workplace health and wellbeing. For more information on LGIS's people risk services, contact WorkCare Services Manager Renee Wockner on 9483 8826. 📍

The tables below outline the improvements in claims costs* and LTIFR for the City of South Perth.

City of South Perth net incurred WC claims costs



City of South Perth LTI Frequency Rate



*The figures outlined do not include any IBNR (Incurred But Not Reported) reserves, development factors and expenses.

ASK AN EXPERT

Each month we take your questions to one of our LGIS team members to answer. If you want to submit a question for next issue, email olivia.lawley@lgiswa.com.au



LYNN CLIFF

Human Resources Risk Consultant

Lynn's role is to provide professional consultancy services to local government organisations in the area of human resources and organisational development. Lynn has over 20 years of experience in HR Operations working within both local government and in the private sector. The breadth of experience Lynn brings to LGIS assists clients with a vast array of HR operational issues, including policy and procedure development, recruitment and selection, performance management, and training and facilitation.

With four generations now in the workforce, all with different needs and potential, how can I manage a multigenerational team?

Each generational group within the workplace has its own distinct characteristics, values, and attitudes toward work, based on its' life experiences. To successfully integrate these diverse generations into the workplace, local governments need to embrace radical changes in recruitment, worker benefits, and creating a culture that actively demonstrates respect and inclusion for its multigenerational workforce. Keep in mind, a 50 year age gap is becoming commonplace within the workforce.

The below offers an overview of the different generations and their needs:

Baby Boomers: Baby Boomers make up 25% of the Australian workforce and are increasingly extending their retirement ages, however in many instances they are looking for a more flexible approach to their traditional employment terms. Many are opting for part-time, consultative roles or working from home arrangements. A recent survey of people born in this era revealed that 63% plan to work at least part-time in retirement, while 5% said that they don't plan to retire at all, whether they like working, or because they need the money to replace lost retirement savings.

Generation X: This generation makes up 50% of the Australian working population and are characterised by an ethos of 'work to live' rather than 'live to work'. Gen X's were brought up on technology and are more open to change than previous generations.

A flexible workplace is a must for this generation who are trying to balance their career ambitions with the needs of a young family.

Generation Y: These technological whiz kids currently represent 20% of Australia's workforce but are predicted to move up to almost 50% by 2020. This generation is willing and able to work anywhere, anytime, is comfortable with digital communication, and they are connected 24/7.

The Millennials (or Generation Z): This generation is just entering the workforce, and because they currently make up less than 5% of the Australian working population, there is limited evidence of their working style. What is certain is their acceptance of the digital age into which they were born. They have never known a world without computers, the internet, mobile phones, email, or instant messaging.

According to a White Paper on activity based working by Jones Lang LaSalle, organisations can address the generational gap by providing:

- ▶ Flexibility of work settings for a variety of different work styles.
- ▶ More collaboration space versus personal space – which is what Gen X and Y are looking for.
- ▶ Homezones or neighbourhoods – allowing Baby Boomers access to support staff and team resources, and also allowing Gen Y access to mentoring and learning experiences from their more senior team members.

- ▶ Improved tools to support the way in which Gen Y and Millennials are accustomed to communicating and working.
- ▶ A trust-based leadership model whereby leaders manage by outcome rather than line-of-sight.

To ensure these multigenerational workers work well together, your local government can:

- ▶ Train managers to develop strong interpersonal skills to foster relationships with workers and each other.
- ▶ Create a respectful, open, and inclusive environment where workers of all ages and cultural backgrounds can be themselves without fear of being judged, "fixed," or changed.
- ▶ Leaders must remain open to new ideas and provide constant feedback, working with managers and staff to shape your local government's strategic vision.

The LGIS HR risk management team facilitates a range of highly interactive workshops for local governments to assist in understanding the needs and requirements of the differing generations. These workshops focus on our ability to have greater self-awareness of ourselves and others, and in turn utilize strategies to improve effectiveness in a leadership role. ↗

If you would like to know more about this workshop, or any of our other workshops available to support your people managers, please contact the LGIS human resources risk management team on 9483 8826.



EMMA HORSEFIELD
Program Manager - OSH

Emma is the Program Manager for the Occupational Safety and Health Program – This involves managing a small team of OSH professional consultants.

Emma work with members to understand their current issues and challenges. Understand their individual requirements and issues, whilst identifying members strengths and areas for improvement.

It important to Emma that she works with the member to provide practical solutions and work with them on specific recommendations. Emma's core focus is on improving safety behaviours, reducing injuries and striving for continuous improvement in the management of occupational safety and health.



SOPHIE DUGGAN
Injury Management Consultant

Sophie's role is to provide education and support to members to manage work related injuries and facilitate recovery and return to work. Sophie has over 5 years' experience working as a registered Occupational Therapist in the workers' compensation setting, across a range of industries. Sophie delivers training on Injury Management for Supervisor and Managers, working through legislation and return to work processes, with practical application to encourage employers to take a more active role in managing workers' compensation claims.

“If a workplace injury occurs, what should I do?”

We never want it to happen, we put plans and processes in place to prevent it, but sometimes injuries may occur in the workplace. So what should you do if your colleague or staff member is involved in an incident? There are several key points you can employ to ensure the injured worker is rehabilitated and returns to work within an appropriate time, and to ensure such an incident doesn't occur again.

1. The first vital step is to respond to the injured worker - ensure a trained first aid officer is on site and can administer first aid. It is also necessary to notify their family or emergency contact, if the situation warrants it. When an injury occurs it is your responsibility as an employer to immediately ensure the worker receives appropriate treatment.

The early intervention of an injury improves the recovery outcomes for the injured worker through coordinated physical and psychological treatment.

Early intervention offers the following benefits:

- ▶ Displays management's commitment to workers
- ▶ Prevents long-term absence from work
- ▶ Increases the likelihood of return to work
- ▶ Creates a positive workplace culture
- ▶ Reduces cost of workers' compensation claims

LGIS has developed an early intervention process to support you in achieving a timely and effective return to work following a workplace injury. Successful implementation relies on close cooperation and consultation between medical practitioners, the local government and LGIS. Key to this process is the early notification by the local government to LGIS of the incident or injury.

2. Ensure the site is safe and secure so there are no further incidents or injuries, preventing anyone else from being hurt or exposed to the same risk. It is important to do so while preserving the scene to assist investigation and prevention activities.
3. You will need to complete necessary reporting – internal and external where required. These can include your local occupational safety and health (OSH) authority, workers' compensation authority, and the appropriate people within your local government.
4. An investigation then needs to be conducted. The main objective of an investigation is understanding and prevention, and a good investigation aims to establish a series of events that should have taken place and compares it to what actually happened to identify areas that need changing. The type of investigation will depend on the seriousness or complexity of the incident.

5. Depending on the outcome of the investigation, follow up on making the necessary changes to processes and policies to ensure an incident won't occur again. Circulate 'lessons learned' to the workforce.

Fundamental to every step is to keep good records and to avoid expressing an opinion as to the cause of the incident.

Throughout this entire process, it is essential to maintain appropriate consultation and communication with the injured worker, as well as other employees who may have been witness to the incident, and offer necessary support.

Once the injured worker has seen a medical practitioner, a Return to Work Program can be established which matches the medical restrictions and recommendations made by the treating practitioner with the duties and tasks available in the workplace. In the first instance, the aim of the program is to return the injured worker to their pre-injury hours and duties as quickly and safely as possible. ▼

For more information on helping return your injured workers back to work please contact the LGIS injury management team on 9483 8843, or for more information on OSH procedures and what to do after an incident, contact the LGIS OSH team on 9483 8888, or your regional risk coordinators

Shire of Northam showcases Bilya Koort Boodja Centre

Thursday 14 March, 2019

Every year, the LGIS Board of Directors head out to one of our regional members, to see firsthand the excellent services and facilities local governments provide to their communities.

This year the Board visited the Shire of Northam and were joined by over 60 guests, elected members and local government executives, and our hosts the Shire of Northam for an evening of celebration and sharing of Noongar culture. Guests were treated to a guided tour of the Bilya Kort Boodja Centre's interactive displays followed by a welcome to country and dance. They enjoyed an array of bush tucker and took the opportunity to catch up with regional colleagues.





“ The LGIS Board of Director’s appreciated the opportunity to meet with elected members and thank Northam Shire President, Cr Christopher Antonio and CEO Jason Whiteaker for hosting the event and sharing their wonderful new Centre with us.



Welcome back, Kalamunda

Welcome back to the City of Kalamunda! LGIS are pleased and proud to provide protection to the City of Kalamunda through the property, liability, workers’ compensation, and bushfire portfolios of the scheme.

As the protection partner of choice for the sector, we understand the complexity of local government and the sector’s legislative requirements like no other. We’re proud to work together to ensure the ongoing protection and vibrancy of local communities. 🌱

Local Government Workforce Risk Forum

Tuesday 28 May 2019

People are at the heart of Western Australia's local government sector.



Modern local governments know the importance of creating a safe and supportive workplace for their people which allows them to get on with the job of delivering vital services to their communities.

The Local Government Workforce Risk Forum has been developed recognising that safe supportive workplaces don't just happen – that they are created with intent and purpose.

Over the course of the day experts in their field will explore:

- ▶ Creating a positive safety environment
- ▶ Ageing workforce – implications for local governments
- ▶ Safety, health and wellbeing – reducing claims for WA local government
- ▶ Responding to psychological injuries in the workplace
- ▶ Effective early return to work strategies for psychological injuries
- ▶ Creating a mentally healthy workplace






Western Australian local governments deal with risk every day. Matthew's story has lessons for every leader and everyone who is committed to creating a safety culture.

Keynote Speaker

Matthew Gill | Manager, Beaconsfield Mine

On Anzac Day 2006 the eyes of the world were on Matthew Gill and his team as they wrestled with the catastrophe of 3 missing miners trapped a kilometre underground. It would take creativity, intellect and determination whatever the cost to rescue the miners.

Event details:

-  Tuesday 28 May 2019
-  9am to 4.30pm (morning tea, lunch and nibbles provided)
-  Burswood on Swan, 1 Camfield Drive, Burswood
-  Cost: \$190 + GST per person
-  To register your interest, contact Sarah Smith at sarahsmith@lgiswa.com.au or call 9483 8850.

Spaces are limited so bookings are essential.

