



# *risk matters*

April 2016



**Creating a healthy workplace**

**Income protection**

**Working well**

# Editorial



Welcome to the first edition of Risk Matters magazine for 2016. I know from speaking with many of our members over the last couple of weeks that this year is off to a rapid start without any signs of slowing

down. Providing greater security and certainty for you at this time is our focus, allowing you to concentrate on what you do best; looking after your communities.

Some twenty years ago local governments across the State decided to take control of their risks through the establishment of the Scheme. Avoiding exposure to the vagaries of the commercial insurance market and benefiting from stable costs of cover that reflect WA Local Government claims. Today, as you are confronted with rising demands and even scarcer resources it is the stability and wide-ranging benefits you receive as a member of the Scheme that supports you in looking after your communities.

The comprehensive risk management support program LGIS provides is designed specifically for WA local government. We work with you on mitigating your risks and minimising the value and number of your claims. You benefit from higher safety standards in the workplace and

subsequent improvements in productivity to name a few.

In this edition of Risk Matters magazine, we continue our strong focus on risk prevention. A recent enhancement that we are excited to announce is our 3 Steps to Safety Program. This succeeds and further improves our Occupational, Safety and Health program that has been running for many years.

Creating a healthy workplace is a focal point for all of us, not just in the physical sense but also making sure our workers are "feeling good". Our workforce risk team are working hard to bring you innovative ways to provide you with the help and support you need to improve your own culture in this way. You can read all about how, in the articles *Working Well* and *Creating a Healthy Workplace*.

Lastly, I would just like to mention an important article around corporate governance and risk management. Governance is becoming an increasingly important issue and demonstrating good governance is central to the effective administration of your local government and we have the skills, knowledge and experience to assist.

I trust you will find the information contained herein of value and interest. If you have any questions or if you would like to discuss any matter relating to your membership with LGIS please contact me directly on 9483 8855.

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as per the above contact details  
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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 programs  
and services.

## LGIS e-newsletter

### SIGN UP TODAY.....

At LGIS we are committed to bringing you relevant information on local, national and global risk related matters and issues impacting local governments in Western Australia.

Register now to receive a copy of our e-newsletter through the LGIS website [lgiswa.com.au](http://lgiswa.com.au)





# Keeping up with Koorda



## The Shire of Koorda is celebrating an outstanding achievement as the first regional aquatic facility to achieve a score of 100% in the joint LGIS and Royal Life Saving Society WA (RLSSWA) Aquatic Facility Compliance Assessment Program.

The aquatic facility compliance assessments are based on the Department of Health code of practice for aquatic facilities, RLSSWA Pool Safety Guidelines and relevant Australian Standards covering general administration, water quality, and treatment as well as facility operations. The joint LGIS RLSSWA assessment program was introduced to improve patron safety and reduce risk at local government aquatic facilities.

Since its introduction, the program has seen an overall increase in compliance from an average score of 68% in 2001 to 92% in 2014/2015. This is a positive achievement in managing your aquatic risk.

To put the Shire of Koorda's achievement into perspective:

- ▶ There are over 125 public swimming pools that are predominantly owned and operated by local government in WA.
- ▶ Regional aquatic facilities have traditionally achieved lower assessment scores.
- ▶ Regional aquatic facilities have less paid patrons than their metro counterparts, yet still face significant operational and maintenance costs.

There is no doubt that aquatic facilities provide benefits in terms of community enrichment, providing a place for the community to participate in sporting activities, recreation, health and fitness. The Shire of Koorda has demonstrated it is possible to balance providing these benefits to their community, along with managing the associated risks and maintaining compliance.

Together with RLSSWA we are keen to work with you towards achieving compliance and managing risks at your facility. Planning for the next round of aquatic facility compliance assessments will begin in the next couple of months. If you have any queries regarding the program or wish to discuss booking your assessment for the 2016/2017 season, please contact your LGIS risk services team or regional risk coordinator.

# Creating a healthy workplace

Achieving a healthier workplace does not need to be complicated, expensive or time consuming.

No matter the size of your local government if you want to get the most out of your health and wellbeing program, it is important to have a plan in place. Well-designed, well-executed workplace health and wellbeing programs can reduce your workers' health risks and improve productivity.



**“Failing to plan is planning to fail.”**

*Benjamin Franklin*

Successful and sustainable workplace health and wellbeing programs follow a model of continuous improvement.

The following checklist outlines key steps that guide the development and implementation of a workplace health and wellbeing program. All steps should be considered throughout the life of your program.

## **Management Commitment**

- ▶ Does your program have commitment from management?
- ▶ Does your workplace have a policy or statement that demonstrates its commitment to health and wellbeing?

- ▶ Does your workplace allocate resources (e.g. time and money) to meet your program's objectives?
- ▶ Does management actively participate in health and wellbeing initiatives in the workplace?

## **Consult**

- ▶ Have you formed a wellness group to drive and oversee the program?
- ▶ Does the committee have representation from different worksites and business units?
- ▶ Have you sought input from workers on their needs and interests?

- ▶ Have you assessed the workplace environment (e.g. physical environment, facilities, and existing services) to determine potential changes you could make to support your program?

## **Plan**

- ▶ Have you set clear goals and objectives for your program?
- ▶ Have you identified activities that align with your goals and objectives?
- ▶ Have you identified responsibilities, timeframes and the resources required?



## **Implement**

- ▶ Have you identified how you will promote the program?
- ▶ Have you utilised strategies to encourage participation?

## **Evaluate**

- ▶ Have you evaluated the activities through surveys, feedback forms and / or focus groups?
- ▶ Have you reviewed the program and provided recommendations for improvement?
- ▶ Have you shared the results within your workplace (management and workers)?

## **Common mistakes made by organisations**

**No management support** – Active and visible participation from management (at all levels) is key to the success of workplace health and wellbeing programs.

**No consultation** – Many organisations plan a wellness program without first determining the needs of the organisation and the workers. Consulting with your workers to determine their interests, as well as benchmarking health trends will help to define clear goals and objectives for the program.

**No measurement** – You cannot manage what you do not measure. Many organisations fail to measure the impact of health activities. Evaluation is critical in ensuring the program is meeting its objectives.

**For assistance with your local government's health and wellbeing program contact Renee Rohde, Health and Wellbeing Program Manager on**  
**☎ 9483 8888.**





# *Income protection – protecting your most valuable asset, your workers*



## **Why income protection?**

Now more than ever, with the increasing calibre and quality of candidates available, you need to consider what innovative strategies you can deploy for attracting and retaining staff. Income protection can enable you, as an employer, to provide cover for your workers as an employee benefit.

For your workers, the idea of not receiving their regular pay as a result of a prolonged illness or serious injury can be daunting. Without income protection insurance, and unless the injury or illness is work related and therefore a workers compensation matter, a worker's ability to meet their financial obligations and maintain their lifestyle could be under threat.

## **What is it?**

Income protection insurance is an insurance policy that is designed to cover a worker who is temporarily incapacitated and hence unable to work due to illness or accident. The cover enables a worker to be able to maintain their day to day living expenses during their recovery period.

Generally, income protection insurance can be cost prohibitive, particularly for your outside workforce / blue collar workers and those over the age of 65. These limitations can be negotiated by us on behalf of you and your staff.

**Note: You can purchase income protection for the benefit of your full workforce or for a nominated group (e.g. outside workforce only, all those under an industrial agreement).**

## **Potential benefits for your workers:**

- ▶ 24/7 coverage for illness and injuries that occur outside the workplace (conditions and exclusions apply).
- ▶ Continuing payment of the worker's wages, inclusive of standard bonuses, overtime payments and allowances, up to 80%.
- ▶ Tailored specifically for local government workers.
- ▶ No medical examinations or application forms for individual workers to fill in before cover commences.
- ▶ Maximum benefit period for up to two years.
- ▶ Benefit payments generally kick in after a ten working day waiting period.

## **Your benefits**

- ▶ The potential to be recognised as an employer of choice by establishing a reputation focused on looking after the health and wellbeing of your workers.
- ▶ Gain a competitive edge during the recruitment process from other employers.
- ▶ Improve your worker's loyalty and retention.
- ▶ Potentially improve productivity.
- ▶ Proactive injury management co-ordination with the collaboration of LGIS's injury management specialists to assist injured workers recover and return to work.
- ▶ Activation of benefits after 10 working days for approved claims, reducing your sick leave liability.
- ▶ Competitive premium structures that have been developed and negotiated with insurers of choice for you our members.

**If you would like more information about income protection insurance, please contact your LGIS Member Service team on**

**9483 8888.**

# Corporate Governance and Risk Management

## What is corporate governance and what are its benefits?

Corporate governance is best understood as a system that directs and controls an organisation; and importantly, holds it to account. It encompasses the rules, relationships and policies that underpin the authority an organisation has to do certain things.

In a local government context, good corporate governance:

- ▶ Provides a framework for effective decision making;
- ▶ Enables the proper exercise of power;
- ▶ Performs a key role in mitigating risk;
- ▶ Improves organisational performance; and
- ▶ Benefits your ratepayers and ensures the community get value.

## How do you demonstrate good corporate governance?

Demonstrating good governance is central to the effective administration of your local government. Responsible decision making of your elected members and senior officers leads to better decisions and achieves positive results. If your decisions are based on evidence and best practice, are not motivated by personal interest, bias or irrelevant considerations, then you will have gone some way to demonstrating good governance.

## What are the risks if you do not practise good corporate governance?

We know from a number of recent enquiries that local governments who do not have a robust system of governance face an increased risk of:

- ▶ Misconduct;
- ▶ Conflicts of interest;
- ▶ Improper use of office;
- ▶ Breaches of confidentiality;
- ▶ Improper influence between elected members and officers; and
- ▶ Civil and criminal liabilities.

## How does good governance help your local government better manage risk?

Your local government makes critical decisions involving large sums of money and makes decisions on matters that have a significant impact. Uncertainty and risk are inherent in those decisions.

While the responsibility for presenting information is to inform decision making, (this primarily lies with local government officers who have been recruited and trained in their areas of professional expertise), it is the role of the elected members to evaluate that information. They do so by ensuring that all relevant aspects are considered and the best decisions are made. This has an added benefit because it demonstrates good faith, a cornerstone principle of effective governance and liability protection.

## What guidance is available to help you manage risk and at the same time practise good governance?

Managing uncertainty and risk in a structured and formalised manner contributes to good corporate governance. We can see this in the risk management principles outlined in AS/NZS ISO 31000:2009. These principles provide support, justification and reassurance that objectives can be achieved with a greater degree of certainty and within an acceptable level of risk. Risk management not only contributes to good governance but also provides some degree of protection for your local government when making decisions. It does so by:

- ▶ Reducing the impact of adverse outcomes;
- ▶ Ensuring accountability; and
- ▶ Demonstrating diligence.

## Why is committing to good governance and risk management important?

It is important for your local government to commit to good corporate governance and to risk management. Adhering to relevant standards and committing to education, training and briefing sessions for elected members and senior officers, helps to embed a good governance philosophy in your organisation.

**Assistance for this can be sought from LGIS as part of our services to members. For more information, please contact your risk and governance consultant on**

 **9483 8888.**

# Working Well



It's a common misconception that working long hours and busy days adds up to better productivity. According to The Australia Institute (2013), Australians continue to work some of the longest hours in the developed world behind workers in Turkey, Korea, Mexico, Israel, Chile, Iceland and Greece.

Their studies show that taking a break from work is essential for workers' health and to prevent burnout. Taking breaks not only increases productivity at work, but can also help workers sustain concentration and energy levels for longer periods of time.

In July 2013, as part of their *Go Home on Time Day* initiative, The Australia Institute conducted their 5th annual online survey on Australians' perceptions of their working hours, and the impact their working hours have on their lives. The report aimed to get a better understanding of workers' experiences in the workplace, specifically working hours, workplace practices and how these impacted on their mental wellbeing and personal lives.

Whether workers are overworked, underworked or out of work, mental health and general health can suffer as a consequence.

Despite much of the productivity rhetoric, the current labour environment is contributing to high levels of stress and anxiety, sleep loss and depression for many Australians. This has adverse effects on health, family life and relationships, and paradoxically, the national goal for greater economic productivity.

The culture of working longer and harder is pervasive in Australian workplaces, even when working outside normal working hours is not explicitly expected.

## In a 2013 study by The Australia Institute of those who feel overworked:

- ▶ One in four report anxiety.
- ▶ 50% would like to spend more time with their family
- ▶ Six million workers (52% of the workforce) said they were dissatisfied with their work hours.
- ▶ Nearly one in three Australians are working more hours than they desired.
- ▶ Full time workers are working 10.6 hours per week more than they want.
- ▶ One in four workers are experiencing workplace stress, with 3.3 million Australians suffering from sleep loss as a result of work stress.
- ▶ 3.8 million Australian workers routinely don't take a lunch break, with one in two of them saying it's because they are 'too busy'.
- ▶ 72% of those that do take a lunch break cut it short.

## How LGIS can help?

We have been running a number of training programs particularly focusing on the concept of "Sharpening the Saw" as part of the Operational Leadership Program and Working Well series of workshops. For those of you that have read Stephen Covey's book *The 7 Habits of Highly Effective People*, you would be familiar with Habit 7 "Sharpening the Saw".

### So what does "Sharpening the Saw" actually mean?

It is based on the story of a wood cutter who is tasked with cutting down a forest of trees with a large handsaw in one day, and what happens when he forgets to "Sharpen the Saw". If you don't take time to "Sharpen the Saw", your

blade gets dull. When your blade is dull, it takes you twice as long with twice as much effort to cut down the same trees. In his book Stephen Covey tells us about Habit 7:

*"Sharpen the Saw" means preserving and enhancing the greatest asset you have – you. It means having a balanced program for self-renewal in the four areas of your life: physical, social/emotional, mental, and spiritual.*

*As you renew yourself in each of the four areas, you create growth and change in your life. "Sharpen the Saw" keeps you fresh so you can continue to practice the other six habits. You increase your capacity to produce and handle the challenges around you.*

*Working well is about looking after ourselves so we can be the best we can be, not only to the organisation we work with but also to those dearest to us and those we come in contact with. (Source: Stephen Covey 1989)*

Recent findings from a paper published by The Australia Institute (2015) report that:

- ▶ Nearly 7 in 10 workers feel that their work hours have an impact on their ability to spend time with their family, while two thirds (67%) feel that it impacts on their ability to spend time with friends.
- ▶ Two thirds (67%) of people felt that work hours impacted on their exercise while more than 6 in 10 (62%) said that work hours impact on their ability to spend time cooking.
- ▶ The most common response in regards to which activity was missed most due to working hours was spending time with their family (37%), while one in five (18%) miss spending time with friends.





It takes time to look after ourselves as feeling good doesn't just happen without actively working at it. By working well and "Sharpening the Saw" you will increase your capacity to live a fulfilling life both at work and at home.

LGIS has run numerous workshops in the past with some of you where we talk about how to look after ourselves in four different ways with the "Sharpen the Saw" mindset (body, mind, heart and soul). Our workshops are designed to provide you with practical self-care strategies taking into consideration our hectic lifestyle.

If your get up and go has got up and gone, begin to "Sharpen the Saw" by utilising some of the methods listed below:



**Body**

- ▶ Eating right
- ▶ Taking breaks outside
- ▶ Exercising on a regular basis
- ▶ Gardening
- ▶ Getting enough sleep



**Mind**

- ▶ Crossword puzzles
- ▶ Sudoku
- ▶ Mazes
- ▶ Reading
- ▶ Learning new skills
- ▶ Learning new languages



**Soul**

- ▶ Journaling
- ▶ Listening to music
- ▶ Praying
- ▶ Meditating
- ▶ Writing
- ▶ Starting a hobby
- ▶ Colouring in



**Heart**

- ▶ Providing positive feedback to others
- ▶ Building relationships
- ▶ Servicing others (volunteer)
- ▶ Spend time with those nearest and dearest

Our Working Well and Operational Leadership Program series of workshops are fun interactive and assist in identifying simple ways to assist in working towards a more balanced life style.

For more information about the workshops, and to try many of the above activities, please contact the LGIS workforce risk team on 9483 8888.

# 3 steps to safety



Assessing workplace safety practices is an important way for identifying both your strengths and weaknesses when managing safety. LGIS has delivered a program for many years to assist our members to do this. Early in 2015, LGIS undertook a review and has now developed the 3 Steps to Safety program to succeed and further enhance our occupational, safety and health program.

## 3 Steps to Safety

The achievement of long term safety performance is the driver behind the 3 Steps to Safety program. This program uses a three tiered approach and incorporates three steps that will assist you to improve, maintain and enhance your occupational, safety and health performance.

## What are the 3 Tiers?

Recognising the diversity across local government and the different challenges you face, we have grouped members into three tiers based on full-time equivalent (FTE) numbers.

Tier	FTE	Descriptor
Tier 1	Up to 30	Members who have limited safety policies, procedures or practices and resources to manage safety.
Tier 2	31 to 99	Members who have existing policies, procedures and practices that may vary in complexity.
Tier 3	≥ 100	Members who have well established policies, procedures and practices or who are on a performance-based rating for their LGIS workcare contributions.

Each tier has progressive safety requirements. What this means is, if you are assessed at tier 1, when you progress to tier 2, the requirements for tier 2 are in addition to what you have already completed, rather than having to start over. By making the requirements progressive, the program has been designed to enable you to continuously improve and enhance the way you manage safety.

## What are the requirements?

The requirements are based on safety fundamentals.

For those at tier 1, there are twenty-five requirements under five headings; management commitment, consultation and communication, managing hazards, training and supervision, reporting and monitoring.

Tier 2 looks at the same 25 requirements, adding another fifteen under the same headings.

For those at tier 3, we provide the option of being assessed against the requirements of the WorkSafe Plan or AS/NZS4801 depending on your needs.

As you commence the program, you can select which tier to start from, provided you do not select a tier with less than your FTE. For example, those with a FTE of 60 can select to be assessed at tier 3 rather than tier 2 if they think this best suits their needs, however, those with a FTE of 60 cannot select tier 1.

## What are the 3 Steps?

Incorporating the 3 steps of assess, plan and act, we will work with you as you to improve your safety performance.

- ▶ **Step 1: Assess** – the first step is engaging LGIS to assess your safety practices against the tier requirements.

- ▶ **Step 2: Plan** – action plans are developed in response to the assessment.
- ▶ **Step 3: Act** – implementation of the plans.

## When do we start?

LGIS are developing a roll out strategy to introduce the program to members. If you want to get started now, please contact the LGIS OSH team or your regional risk coordinator, otherwise we will be in touch to arrange a visit.

