

MINUTES

GOVERNANCE STEERING COMMITTEE

SPECIAL MEETING TO REVIEW PHCC INSURANCES

Held at 10:00am to 11:15am Thursday 4 June 2020

(via Zoom for COVID-19 Social Distancing)



In Attendance:

Sue Fyfe	(Chair)
Caroline Knight	Member (Chair PHCC)
Paddi Creevey	Member
Howard Mitchell	Member (until 10.55am)
Jane O'Malley	CEO
Leanne Greene	Office Manager and Executive Support (Minute taker and responsible for managing insurance premiums)

In Attendance by Invitation:

Steve Fisher	Program Manager, Science and Waterways
Pat Sutton	Finance Support (previously responsible for insurance premiums)
Sam Norrish	Nexus Risk Services (PHCC's Insurance Brokers)
Chelsea Shaw	Nexus Risk Services (PHCC's Insurance Brokers)

The Chairman opened the meeting at 10.03am, by acknowledging the Noongar people as Traditional Custodians of this land and paying respects to all Elders past, present and emerging. Sue introduced Sam Norrish and Chelsea Shaw from Nexus Risk Services, PHCC's insurance brokers and welcomed them to the meeting.

GSC.1/6/20 Apologies

Nil

GSC.2/6/20 Declarations of Interest

Nil

GSC.3/6/20 Confirmation of Minutes of Previous Meeting

As this was a special meeting of the Governance Committee, called to review insurances only, it was noted that the minutes of the previous meeting would be presented at the Annual Governance meeting, taking place on Tuesday 10 September 2020.

GSC.4/6/20 Business Arising from the Previous Meeting

N/A

58 Sutton Street, Mandurah
Western Australia 6210
T: +61 8 6369 8800

GSC.5/6/20 PHCC Insurances – Annual Review

At the December 2019 Board meeting, it was agreed that the annual review of insurances would fall under the remit of the Governance Steering Committee, and it was suggested that the PHCC consider inviting our Insurance Broker to meet with this Committee.

As the process for renewing PHCC insurances was approaching, it was considered timely to organise for the Insurance Broker (Nexus Risk Services) to meet with the Committee, so questions could be presented and addressed accordingly.

Details of each of the current insurances held by PHCC were circulated with the agenda.

1 Liability Insurance (this policy includes cover for Peel Main Drain project)

Sam outlined the provisions of this policy.

For the benefit of those who had not been involved in the Peel Main Drain project, information was provided regarding the need for insurance to cover this project, which was over and above the business insurance policy premium, so as to adhere to contractual obligations required under the contract.

The cover provided in respect of the Peel Main Drain project significantly increased the cost of premiums.

Jane provided clarification that the construction works associated with the Peel Main Drain project had yet to be commenced but that the Water Corporation would be responsible for undertaking works on the Peel Main Drain, with PHCC being present on site and responsible for minor modification works to existing infrastructure adjacent to the weir.

The length of the policy was questioned, as it was likely that the works would be completed by December 2020. Sam undertook to determine if an extension was necessary and whether this has to be 12 months or can be shorter (e.g. to December 2020).

It was emphasised that the insurance taken out with regard to the Peel Main Drain project had been done to ensure that contractual obligations required by the Government were adhered to. It was acknowledged that at this moment in time, there remained the need to ensure that those contractual obligations continued to be met.

Action:

- a. Sam to liaise with Leanne to obtain the PHCC's most recent financial statements (audited version of F19).
- b. Sam to liaise with Jane (Jane to source and supply email) with regard to the Peel Main Drain contractual obligations (cc Leanne), and Jane will liaise with appropriate officers from PHCC, DWER and Water Corporation.
- c. Sam to obtain quote, present options, and negotiate with insurance provider to see if a lower minimum cover can be put in place, whilst still ensuring the contractual obligations required by the Peel Main Drain project are adhered to. (NB Term of policy 1 August 2020 – 30 June 2021).
- d. Sam to see if the length of cover needed for the Peel Main Drain project can be taken into consideration (not required for an 11-month period).

2 Association (Management) Liability

Sam outlined the provisions of this policy, advising that the \$5m level of cover was considered appropriate. He indicated that he may source alternative quotes from the market and present options to see if he can get us a better price.

Caroline asked if the PHCC would be covered if it was to suffer a cyber-attack. Sam suggested that he could look at an extension of the Association (Management) Liability in the event of data being compromised (\$250,000 cover).

Action:

- a. Sam to obtain a quote for Association (Management) Liability and present options. (NB Term of policy 1 August 2020 – 30 June 2021).
- b. Sam to provide a quote for Association (Management) Liability that includes cover for cyber-attack, for PHCC's consideration.

3 Business Contents

Sam outlined the provisions of this policy, highlighting that it covers the PHCC contents at our three work places, 58 Sutton Street, the Waroona Landcare Office and the Boddington Community Resource Centre.

In view of the increase of people now working from home, Jane queried the business contents side of things provided adequate cover for all equipment in any transit and at people's personal homes or other workplaces (e.g. Make Place, RDA, public libraries etc). Sam confirmed that in addition to the three properties covered, the policy provided for \$10,000 for any PHCC portable electronic equipment for anywhere in Australia.

Action: Sam to provide a quote for Business Contents insurance, for PHCC's consideration (NB Term of policy 1 August 2020 – 30 June 2021).

4 Property Insurance

This is covered by a bulk insurance policy held by the City of Mandurah. The PHCC pay a percentage towards this overarching property insurance policy.

5 Voluntary Workers (including directors, committee members and voluntary workers aged under 85 years)

Sam outlined the provisions of this policy, highlighting that there was no legal obligation to provide this level of cover. It was noted that while the PHCC has no legal obligation, as a community group working with volunteers it would be inappropriate not to provide some level of cover.

Jane questioned if a volunteer was covered for an accident that occurred whilst in transit to site? If in company vehicle, they would be covered, but if in their own vehicle, they would not be covered until arrived (either office/site etc). Sam highlighted the provisions of third party personal injury would cover this scenario (as part of vehicle registration).

At the request of Steve, it was clarified that 'volunteer' was defined as a person working in a voluntary capacity and acting under instructions (whether registered as a volunteer or not – noting PHCC's policy that all volunteers have to register at the start and end of each volunteer session).

Discussion ensued around the level of benefits currently provided, with the request being put forward that this be investigated.

Action: Sam to provide a quote for Voluntary Workers insurance for PHCC's consideration, including the option to increase benefits as follows:

\$250,000 death
\$500,000 disability
\$1,000 weekly benefits

(NB Term of policy 1 August 2020 – 30 June 2021).

6 Journey

Sam outlined the provisions of this policy, highlighting that this was a benefit for staff, as they would not be covered for injuries sustained whilst commuting to/from workplace or during a lunchbreak under the provisions of the workers compensation policy (this policy fills the gap).

At the request of Caroline, Sam clarified that this policy covered Board Members, executive and employees.

Action: Sam to provide a quote for Journey insurance for PHCC's consideration. (NB Term of policy 1 August 2020 – 30 June 2021).

7 Workers Compensation

Sam outlined the provisions of this policy. Questions raised and responded to included:

- Situation if it could be proven that COVID-19 contracted in workplace
- Insurance to cover staff member injured on holiday and on sick leave – the ability to claim lost income and protect staff's sick leave entitlements
- Working from home cover.

Action:

- a. Sam to provide a quote for Workers Compensation insurance for PHCC's consideration. (NB Term of policy 1 August 2020 – 30 June 2021).
- b. In terms of the staff member injured on holiday, Sam to provide contact for Nexus Life broker so issue of provisions of possible future policy can be discussed.

Mitch left the meeting at 10.55am (due to technical issues being experienced).

8 Vehicles

Sam advised that he would possibly be looking to change our current provider for our vehicle insurance. Questions were raised and addressed that related to vehicle custodianship, the requirement for this number of vehicles and the provision / use of two trailers recently obtained from DWER.

Action:

- a. Sam to provide a quote for Vehicle insurance (including trailers) for PHCC's consideration (NB Term of policy 1 August 2020 – 30 June 2021).
- b. Sam to provide a quote for Vehicle insurance for PHCC's consideration, that includes premium hire provisions, covering the cost of hire cars in the event of an accident occurring.

9 General Discussion Items:

- 9a Events – Sam reported on the query that had been raised by Sharon Meredith regarding insurance for stakeholders at PHCC events, ie can the PHCC take out an overarching insurance policy to cover groups/organisations/individuals that are involved with our events and activities. Sam confirmed that it is not possible for an organisation to hold insurance on behalf of others, ie we cannot assume liability for a 3rd party. His advice was that stakeholders take out their own insurance.

Action: Sam to provide a response to the email query raised with him relating to an overarching insurance policy for stakeholders at PHCC events, which can then be circulated.

- 9b Term of 2020/21 Insurance Policies – On behalf of Karen Henderson (PHCC Manager Finance and Payroll), Leanne asked if it was possible for all insurances policies to end on 30 June, as opposed to 31 July, to align with the financial year. Sam advised that this could be done and he would look at changing in line with this request.

Action: All insurance quotes obtained for the 2020/21 financial year to be for an 11-month period (ie commencing 1 August 2020, end ending 30 June 2021), to enable easier alignment with PHCC financial year payments, as requested by the Finance Manager.

- 9c Corporate Travel Insurance – Pat reported on the PHCC practice of taking out travel insurance when booking domestic corporate travel to attend conferences etc (costing \$60-\$70 each time). She asked if it would be worth looking at taking a policy out.

Sam suggested that there may be a better option of taking out corporate domestic travel insurance that would cover staff, board and volunteers travelling >50km. Sam will review and provide a quote for this for PHCC's consideration.

Action: Sam to provide a quote for consideration that covers any business trip exceeding 50km, covering personal accident and luggage cover, with the term of policy running from 1 August 2020 – 30 June 2021).

- 9d Review of Insurance Policies – Next Steps – Leanne will work with Sam to receive quotes and present to the Governance Steering Committee for a recommendation to be made to the CEO.

Recommendation: Moved Paddi Creevey Seconded Caroline Knight

1. That the information from the insurance consultants be noted.
2. That the Committee acknowledges that it is generally comfortable that the level of insurance cover provided adequately covers risks of the PHCC but notes the recommendations of the PHCC's insurance broker which need to be considered, along with the responses to PHCC queries and revised quotes, to inform the PHCC's acceptance of insurance policies
3. That the office manager work with Sam Norrish to provide a concise summary of the recommendations for policy renewal to the Governance Steering Committee (out of session), in time to ensure no insurance policies expire, and for final determination by the Executive Group in collaboration with the CEO.

GSC.5/6/20 Next Meeting

Tuesday 10 September 2020

Chairman:

Date:

We acknowledge the Noongar people as Traditional Custodians of this land and pay our respects to all Elders past and present

Summary of Actions from 4 June 2020 Meeting (new actions from this meeting):

No.	Details	Resp	Status
GSC.5/6/20 (1)a	Liability Insurance (this policy includes cover for Peel Main Drain project) - Sam to liaise with Leanne to obtain the PHCC's most recent financials.	Sam / Leanne	
GSC.5/6/20 (1)b	Liability Insurance (this policy includes cover for Peel Main Drain project) - Sam to liaise with Jane (Jane to source and supply email) with regard to the Peel Main Drain contractual obligations (cc Leanne), and Jane will liaise with appropriate officers from PHCC, DWER and Water Corporation.	Sam / Jane	
GSC.5/6/20 (1)c	Liability Insurance (this policy includes cover for Peel Main Drain project) - Sam to obtain quote, present options, and negotiate with insurance provider to see if a lower minimum cover can be put in place, whilst still ensuring the contractual obligations required by the Peel Main Drain project are adhered to. (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (1)d	Liability Insurance (this policy includes cover for Peel Main Drain project) - Sam to see if the length of cover needed for the Peel Main Drain project can be taken into consideration (not required for an 11-month period).	Sam	
GSC.5/6/20 (2)a	Association (Management) Liability - Sam to obtain a quote for Association (Management) Liability and present options. (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (2)b	Association (Management) Liability - Sam to provide a quote for Association (Management) Liability that includes cover for cyber-attack, for PHCC's consideration.	Sam	
GSC.5/6/20 (3)	Business Contents - Sam to provide a quote for Business Contents insurance, for PHCC's consideration (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	

GSC.5/6/20 (5)	Voluntary Workers - Sam to provide a quote for Voluntary Workers insurance for PHCC's consideration, including the option to increase benefits as follows: \$250,000 death \$500,000 disability \$1,000 weekly benefits (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (6)	Journey - Sam to provide a quote for Journey insurance for PHCC's consideration. (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (7)a	Workers Compensation - Sam to provide a quote for Workers Compensation insurance for PHCC's consideration. (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (7)b	Workers Compensation - In terms of the staff member injured on holiday, Sam to provide contact for Nexus Life broker so issue of provisions of possible future policy can be discussed.	Sam / Jane	
GSC.5/6/20 (8)a	Vehicles - Sam to provide a quote for Vehicle insurance (including trailers) for PHCC's consideration (NB Term of policy 1 August 2020 – 30 June 2021).	Sam	
GSC.5/6/20 (8)b	Vehicles - Sam to provide a quote for Vehicle insurance for PHCC's consideration, that includes premium hire provisions, covering the cost of hire cars in the event of an accident occurring.	Sam	
GSC.5/6/20 (9)a	Events - Sam to provide a response to the email query raised with him relating to an overarching insurance policy for stakeholders at PHCC events, which can then be circulated.	Sam	
GSC.5/6/20 (9)b	Term of 2020/2021 Insurance Policies - All insurance quotes obtained for the 2020/21 financial year to be for an 11-month period (ie commencing 1 August 2020, end ending 30 June 2021), to enable easier alignment with PHCC financial year payments, as requested by the Finance Manager.	Sam	
GSC.5/6/20 (9)c	Corporate Travel Insurance - Sam to provide a quote for consideration that covers any business trip exceeding 50km, covering personal accident and luggage cover, with the term of policy running from 1 August 2020 – 30 June 2021).	Sam	

GSC.5/6/20 (9)c	Review of Insurance Policies – Next Steps - Leanne will work with Sam to receive quotes and present to the Governance Steering Committee for a recommendation to be made to the CEO.	Sam / Leanne	
Recommendation	That the office manager work with Sam Norrish to provide a concise summary of the recommendations for policy renewal to the Governance Steering Committee (out of session), in time to ensure no insurance policies expire, and for final determination by the Executive Group in collaboration with the CEO.	Sam / Leanne	