

# NOTICE OF MEETING & AGENDA

## Ordinary Meeting

**Wednesday 28 July 2021**

Roma Administration Centre

### NOTICE OF MEETING

Date: 19 July 2021

Mayor:

Councillor T D Golder

Deputy Mayor:  
Councillors:

Councillor G B McMullen  
Councillor J R P Birkett  
Councillor M C Edwards  
Councillor J L Guthrie  
Councillor J M Hancock  
Councillor W L Ladbrook  
Councillor C J O'Neil  
Councillor W M Taylor

Chief Executive Officer:

Ms Julie Reitano

Executive Management:

Mr Rob Hayward (Deputy Chief Executive Officer/Director  
Development, Facilities & Environmental Services)  
Ms Sharon Frank (Director Corporate & Community Services)

Attached is the agenda for the **Ordinary Meeting** to be held at the Roma Administration Centre on **28 July, 2021 at 9.00AM.**



Julie Reitano  
**Chief Executive Officer**

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**Status Reports**

**Next General Meeting**

- To be held at the Roma Administration Centre on 11 August 2021.

## Confidential Items

In accordance with the provisions of section 254J(3) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public to discuss confidential items that it's Councillors or members consider it necessary to close the meeting.

### C Confidential Items

**C.1 Application for Conversion of Tenure - Lot 2 on WAR40**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

**C.2 Application for Conversion of Tenure - Lot 5 on BDR80**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

**C.3 Application for Conversion of Tenure - Lot 6 on BDR59**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

**C.4 Applications for Conversion of Tenure - Lot 3 on BDR21 & Lot 5 on BDR22; Lot 8 on KE43**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

**C.5 Historic Grain Shed**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

**C.6 Planning Consultancy**

**Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

## Councillor Business

### 14 Councillor Business

### Closure

**OFFICER REPORT**

**Meeting:** Ordinary 28 July 2021

**Date:** 24 June 2021

**Item Number:** 13.1

**File Number:** D21/51303

**SUBJECT HEADING:** Wallumbilla Pool Lease

**Classification:** Open Access

**Officer's Title:** Manager - Facilities (Land, Buildings & Structures)

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**Executive Summary:**

The Wallumbilla Swimming Pool is owned by The State of Queensland (represented by the Department of Education and Training). Council has a current lease agreement with the State Government to operate the pool outside of school hours, to allow the facility to be accessible to the public. Council is asked to consider excising the final five year option in the lease.

**Officer's Recommendation:**

That Council:

1. Advise The State of Queensland (represented by the Department of Education) that Council intends to exercise the final five year option in the Wallumbilla Swimming Pool lease.
  2. Authorise the Chief Executive Officer (or delegate) to execute documentation required to formalise the extension of the lease.
- 

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

The State of Queensland (Represented by the Department of Education)

Mel Sutton

Wallumbilla State School

Users of the Wallumbilla Pool

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
Nil	Nil



**Context:**

***Why is the matter coming before Council?***

Council has a lease with The State of Queensland (represented by the Department of Education) in regard to the Wallumbilla Swimming Pool.

The original lease was executed in November 2011 for 5 years with options of a further 2 x 5-year term. The current agreement is due to expire in November 2021.

Education Queensland has contacted Council to confirm Council's intentions in regard to exercising the final option of a further 5 year term.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Council originally entered a lease with Education Queensland in November 2011 to operate the pool outside of school hours to allow access to the facility by the general public.

Council has contracted the services of Mel Sutton to manage the pool on behalf of Council. Mrs Sutton was awarded the tender for the management of the Wallumbilla Swimming Pool on 2 October 2018. The management agreement was for a term of one year with the option to extend yearly for an additional two years expiring on 1 October 2021. After this option has been exercised the agreement can be renewed for a further period of three (3) years concluding on 1 October 2024.

Mrs Sutton is currently paid \$89,650.50 per annum to manage the Wallumbilla Pool. The management fee is subject to annual CPI increase.

This report is in relation to the lease between Education Queensland and Council in respect to use of the pool, and does not relate to the management contract with Mrs Sutton.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?***

(Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

Nil

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

Nil

**Input into the Report & Recommendation:**

**Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Nil

**Funding Bodies:**

**Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.** (Please do not just include names)

Nil

**This Financial Year's Budget:**

**Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)?** **Is this already included in the budget? (Include the account number and description).**

**If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?**

Funding of \$18,000 will need to be funded through the operational budget for Wallumbilla Swimming Pool for Council's annual contribution to the sinking fund (WO.14278.2327.2001). Other costs include management fees.

**Future Years' Budgets:**

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

Allocation of the annual \$18,000 will need to be considered for the term of the lease.

**Impact on Other Individuals or Interested Parties:**

**Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?**

(Interested Parties Analysis - IS9001:2015)

The State of Queensland (Represented by the Department of Education and Training)

Mel Sutton

Wallumbilla State School

**Risks:**

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Public Complaint	Risk of public complaint if Council doesn't take the option of a further five year term.

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Council has been operating the Wallumbilla Swimming Pool since 2011. Public expectation is at Council will continue to provide this service to the community.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

That Council:-

1. Advise The State of Queensland (represented by the Department of Education) that Council intends to exercise the final five year option in the Wallumbilla Swimming Pool lease.
2. Authorise the Chief Executive Officer (or delegate) to execute documentation required to formalise the extension of the lease.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.10 Facilities

**Supporting Documentation:**

Nil

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services

**OFFICER REPORT**

**Meeting:** Ordinary 28 July 2021

**Date:** 5 July 2021

**Item Number:** 13.2

**File Number:** D21/54254

**SUBJECT HEADING:** Payment to Queensland Local Government Mutual - Annual Asset Insurance Payment.

**Classification:** Open Access

**Officer's Title:** Council Buildings & Structures Maintenance Officer / Team Coordination

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**Executive Summary:**

Council has received the annual insurance premium invoice from Local Government Mutual – Assets for Council's Property Protection (ISR), Motor Vehicle, Engineering (Machinery Breakdown), Personal Accident – Group, Personal Accident – Voluntary Workers, Marine Hull Commercial and Marina Operators Liability insurances.

**Officer's Recommendation:**

That Council;

1. Authorise payment to Queensland Local Government Mutual Assets, totalling \$1,179,965.97 (GST Inclusive), being payment for Property Protection (ISR), Motor Vehicle, Engineering (Machinery Breakdown), Personal Accident - Group, Personal Accident – Voluntary Workers, Marine Hull Commercial and Marina Operators Liability insurances.
2. Authorise the Chief Executive Officer to raise a purchase order with expenditure assigned to the 2021/22 budget allocation for associated insurances.
3. Authorise the Chief Executive Officer to complete future payments invoiced by Local Government Mutual Assets in accordance with budget approvals.

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**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Queensland Local Government Mutual – Managed by Jardine Lloyd Thompson Pty Ltd.

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
LGM	Queensland Local Government Mutual

**Context:**

***Why is the matter coming before Council?***

This matter is tabled for Council's consideration as the invoice value exceeds Officers' delegations (\$200,000 ex GST). Council's approval is required to form a large-sized contractual commitment that exceeds \$200,000 ex GST.

**Background:**

***Has anything already happened in relation to this matter?***

*(Succinct overview of the relevant facts, without interpretation)*

Council insures its property through Local Government Mutual (LGM) Assets. The Local Government Association of Queensland is the trustee of LGM Assets and through the LGM Queensland Board of Management, oversees the administration of LGM Assets. LGM Asset is entirely owned and operated by Queensland Local Government.

Council has received its membership report from Queensland Local Government Mutual. The report includes Council's premiums for the 2021/22 financial year. For Councillors information, details of premiums paid in the previous three periods are also included.

	2021/22	2020/21	2019/20	2018/19
Marine Hull Commercial	9,480.46	8,778.89	5,633.31	6,418.20
Personal Accident – Voluntary Workers	827.31	844.10	659.45	659.45
Personal Accident – Group	1,558.70	755.37	755.37	755.37
Engineering (Machinery Breakdown)	37,007.82	35,624.24	35,941.67	31,059.27
Motor Vehicle	339,971.94	345,426.04	352,915.75	310,724.00
Property Protection (ISR)	786,623.49	739,318.94	696,194.71	581,510.50
Marina Operators Liability	4,496.25			-
Superseded Insurances			3,776.85	
<b>Total – Property Plant and Equipment and Supplementary Covers</b>	<b>\$ 1,179,965.97</b>	<b>\$ 1,130,747.58</b>	<b>\$ 1,095,877.11</b>	<b>\$ 931,126.79</b>

An increase of 4.35% was observed over last year's contributions.

In order to protect Council's interest in the Surat Pontoon as a result of recent changes to the Transport Infrastructure Public Marine Facilities Regulation 2011. Council is required to take out coverage specific to Marina Operators Liability.

Following a workshop with Elected Members after the 2019/20 premium was received, Council officers contacted other insurance providers for a quotation for comparison purposes. With the exception of Council's previous broker AON Insurance, no company provided quotation or feedback.

*AON advised - "We have been to a number of insurers regarding your property insurances and the difficulty is that for many years Vero was the insurer we would approach however these days they are not looking to get back into Local Government insurances.*

*Other insurers approached are non-committal on if they can quote as they may already be looking to provide terms perhaps via Marsh Brokers.*

*So unfortunately we have drawn a blank from a property insurance view and won't be able to assist at present. Obviously if anything does change I will let you know."*

**John Trail – Client Manager**  
**ANZIIF (Snr Assoc) CIP**  
**Commercial Risk Solutions**  
**Aon**

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The LGAQ as Trustee of Local Government Mutual – Assets sought legal advice in relation to current and future scheme members need to comply with the default contracting procedures (contained in Chapter 6 of the Local Government Regulation 2012) before renewing their membership, or becoming a new member of the scheme.

This advice does not consider that the payment of a membership contribution by a Council, to our mutual scheme, amounts to a contractual arrangement for the support of goods and services in the manner contemplated by the default contracting procedures. As such our advice argues that there is no need for councils to comply with the default contracting provisions of the Regulation, before becoming a member of the scheme or renewing their membership of the scheme.

A local government may enter into a large sized contractual arrangement without first inviting written quotes or tenders if the contract is made with, or under an arrangement with, a government agency (s235(f) Local Government Regulation 2012). In approving the recommendation, Council will be paying a government entity; therefore, a quote/tender process is not required.

**Council Policies or Asset Management Plans:**

*Does Council have a policy, plan or approach ordinarily followed for this type of decision?*

*What are relevant sections of the policy or plan?*

(Quote/insert the relevant section's wording / description within the report)

N/A

**Input into the Report & Recommendation:**

*Have others' views or input been sourced in developing the report and recommendation to*

*Council? (i.e. other than the report author?) What did each say?* (Please include consultation with the

funding body, any dates of critical importance or updates or approvals required)

David Parker, Operations Manager - Plant, Fleet & Workshops responds to requests received from LGM Assets in regard to Council's plant fleet.

**Funding Bodies:**

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.* (Please do not just include names)

N/A

**This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$) ? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

Pending Council's approval of the recommendation, the invoice will be costed to the 2021/22 budget allocation for insurance:

\$1,179,965.97 (GST Inclusive). Being payment for Insurance of Assets, Plant and Equipment and Supplementary Covers.

This amount will be paid from materials and services.

**Future Years' Budgets:**

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$) ?* (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

Council will be liable for similar annual payments in the future. This will be a recurring budget item for general operations.

**Impact on Other Individuals or Interested Parties:**

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*

(Interested Parties Analysis - IS9001:2015)

N/A

**Risks:**

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Financial	Financial implications of not having insurance could be catastrophic to business.

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

That Council approve payment to Local Government Mutual – Assets

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

That Council;

1. Authorise payment to Queensland Local Government Mutual Assets, totalling \$1,179,965.97 (GST Inclusive), being payment for Property Protection (ISR), Motor Vehicle, Engineering (Machinery Breakdown), Personal Accident - Group, Personal Accident – Voluntary Workers, Marine Hull Commercial and Marina Operators Liability insurances.
2. Authorise the Chief Executive Officer to raise a purchase order with expenditure assigned to the 2021/22 budget allocation for associated insurances.
3. Authorise the Chief Executive Officer to complete future payments invoiced by Local Government Mutual Assets in accordance with budget approvals.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.10 Facilities

**Supporting Documentation:**

[1](#) LGM Assets Membership Report for Maranoa - 05-07-2021 D21/54257

**Report authorised by:**

Manager - Facilities (Land, Buildings & Structures)

Deputy Chief Executive Officer/Acting Director Infrastructure Services







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## INTRODUCTION

Queensland Councils continue to confront a growing array of challenges, each of which have the potential to impact the achievement of their strategic objectives and the ability to meet the needs of the communities they serve.

These challenges are diverse and evolving and include:

- Financial sustainability;
- Natural Catastrophes/Climate Change;
- Property and Infrastructure Management;
- Cyber incidents/IT infrastructure; and
- Reputation Risk.

The COVID-19 pandemic has undoubtedly exacerbated many of the challenges Councils face whilst simultaneously highlighting just how interconnected everything in today's society truly is.

It is within this context that the need for organisations to develop resilience and adopt a systemised approach to risk management in order to contend with today's VUCA (Volatile, Uncertain, Complex, and Ambiguous) world can be better appreciated.

LGM Assets exists to support and empower members to meet these challenges, develop much needed resilience and respond to this evolving risk landscape for the benefit of their organisations and the communities they serve.

LGM Assets achieves these outcomes by:

- Ensuring long term availability of coverage in respect of members' material damage and business interruption risks;
- Recognising the budget driven nature of members' operations and ensuring long term stability and sustainability of cost;
- Assisting members to better understand the risks their organisations face and providing them with the tools to take meaningful action; and
- Providing members with support, resourcing and expertise to facilitate a speedy recovery in the event of a loss.

As a local government owned vehicle, LGM Assets exists solely to advance the interests of its members. We look forward to partnering with Council in the continued delivery of sustainable risk financing and management solutions that:

- **Understand** the unique risks faced by Council;
- **Deliver insight** and are **responsive** to emerging issues;
- **Empower** Councils to harness opportunity;
- **Minimise costs** over the long-term and provide a stable cost structure in the face of a variable commercial insurance market;
- Are **flexible** and **innovative** and help Councils **navigate** an increasingly complex and uncertain environment



- **Understand** the local government landscape and have a value proposition that mirrors Council's long-term sustainable vision for its community.

We value your continued support and understand that a critical success factor for local government is ensuring long-term reliable access to relevant and tailored risk financing and risk management support.

### **History and Knowledge of Local Government**

Starting more than 25 years ago, the LGMS mutual schemes (encompassing LGM Liability, LGM Assets and LGW Workcare) have developed to become the vehicles through which Queensland local government has exercised control over its liability, workers' compensation and asset based risk exposures.

Over their life these arrangements have proven themselves as successful, genuine alternatives to commercial insurance arrangements, that have and continue to deliver benefits to local government that go far beyond the insurance needs initially contemplated.

Through the collective action and long term commitment of members, the LGMS mutuals are able to share unique insights and provide members with the tools they need to make lasting changes for the benefit of their organisations and the communities they serve.

### **Navigating the Insurance Market (Operating Environment)**

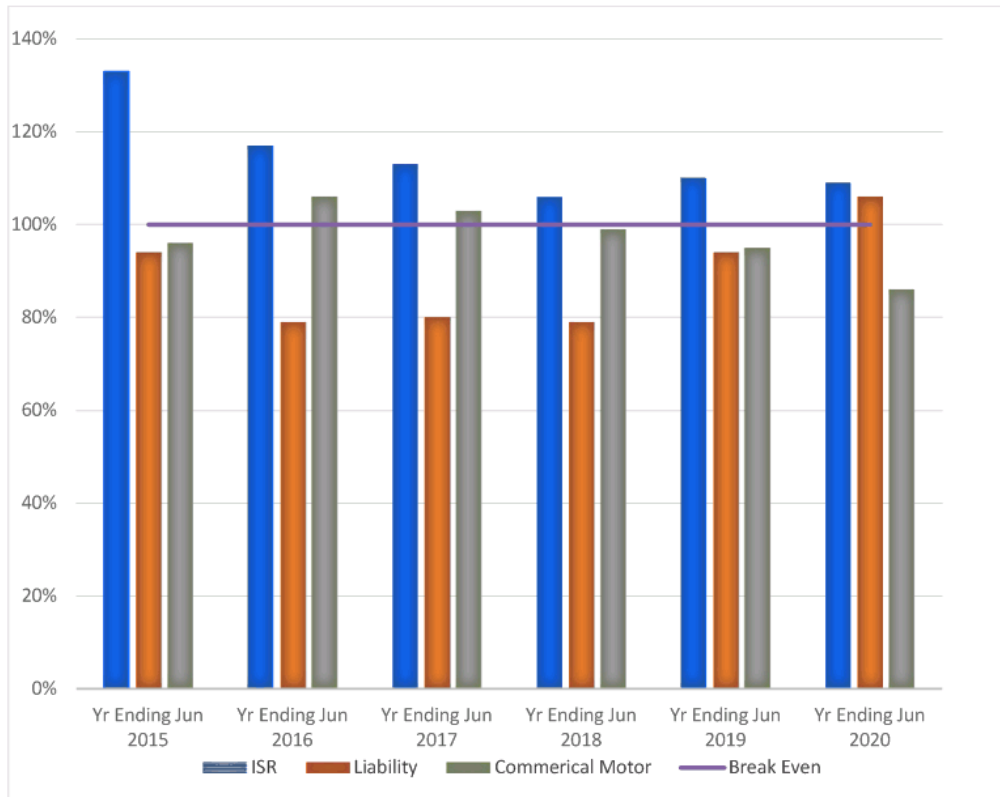
To say that the last 12 months has represented an unparalleled challenge would be a gross understatement. Organisations and governments of all shapes and sizes have been, and continue to grapple with the uncertainties wrought by the COVID-19 pandemic.

Whether that is in the form of operating challenges and reduced demand owing to border closures and ongoing restrictions, increased costs stemming from new ways of operating and the need for additional services or the need to provide economic support to impacted communities. The impact has and continues to be significant.

The insurance market has not been immune to the impacts of the pandemic. Over the past several years, insurers have been grappling with the twin conditions of increasing claims alongside diminishing investment returns.

Whilst significant fiscal and monetary stimulus measures were a necessary response to the COVID-19 pandemic, the ultra-low interest rate environment that this has produced along with ongoing volatility in financial markets has continued to dampen investment returns.

When combined with the challenging claims environment that has resulted from above average global catastrophe claims, the result is that insurers are no closer to profitability than they were 12 months earlier, despite sustained rating increases. This is perhaps most aptly illustrated by the graphic below which depicts the performance of all APRA licenced insurers over the past 6 years:



	ISR	Liability	Commercial Motor
Yr Ending Jun 2015	133%	94%	96%
Yr Ending Jun 2016	117%	79%	106%
Yr Ending Jun 2017	113%	80%	103%
Yr Ending Jun 2018	106%	79%	99%
Yr Ending Jun 2019	110%	94%	95%
Yr Ending Jun 2020	109%	106%	86%

As can be observed, the combined operating ratio for the ISR class (the equivalent of the LGM Assets Property Protection cover) has exceeded 100% in each of the last 6 years. Put another way, claims costs and expenses have exceeded premiums collected by the market in each of the last 6 years.

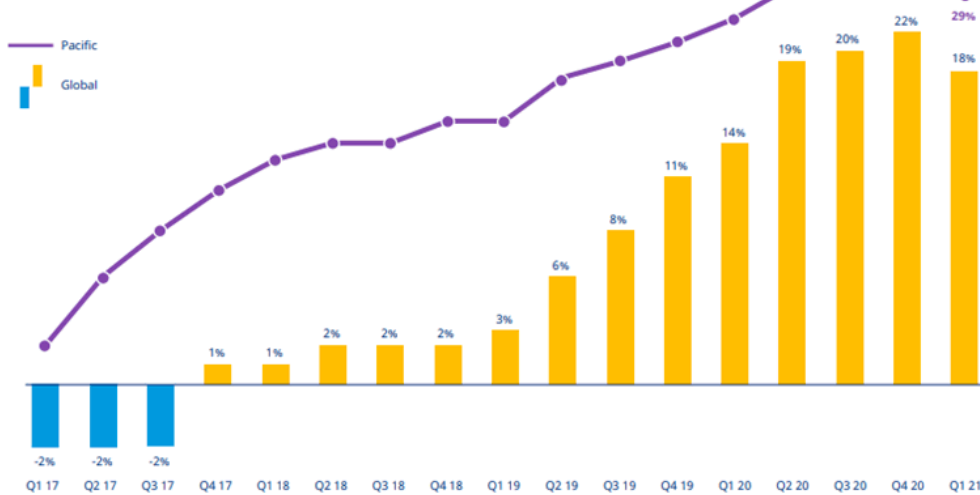
Whilst pressure on rates is likely to remain in light of this experience (as can be observed in the Pacific Composite Insurance Pricing Change graphic below), carriers have also begun adopting a variety of other strategies (in addition to rate increases) in order to manage their exposure and ensure that the market can continue to function (i.e. ensure there is sufficient money to pay claims). These include:

- Withdrawal from certain markets and/or lines of business;
- Reductions in capacity or line size (i.e. insurer percentage participation on individual placements);
- Contractions in policy coverage, including reduced limits of liability (especially with respect to contingent and non-damage business interruption risks) and removal of cover for certain perils (e.g. cyclone, flood, infectious diseases and cyber)





12| Pacific composite insurance pricing change



Source: Marsh Specialty and Global Placement

Through its focus on managing risk and building resilience, LGM Assets (the LGMS property mutual) is best positioned to help members respond to these evolving market conditions.

**Security in the Mutual**

LGM Assets continues to exist for the sole purpose of benefitting Queensland local government by providing effective and appropriate cover for the property and business interruption risks of Members; with long term goals of achieving cost stability and minimising the impacts of volatility experienced in the general insurance and financial sectors.

As highlighted above, a major contributor to volatility within commercial insurance markets tends to be the claims performance of the insurance market as a whole i.e. where the total losses sustained exceed the total premium being collected.

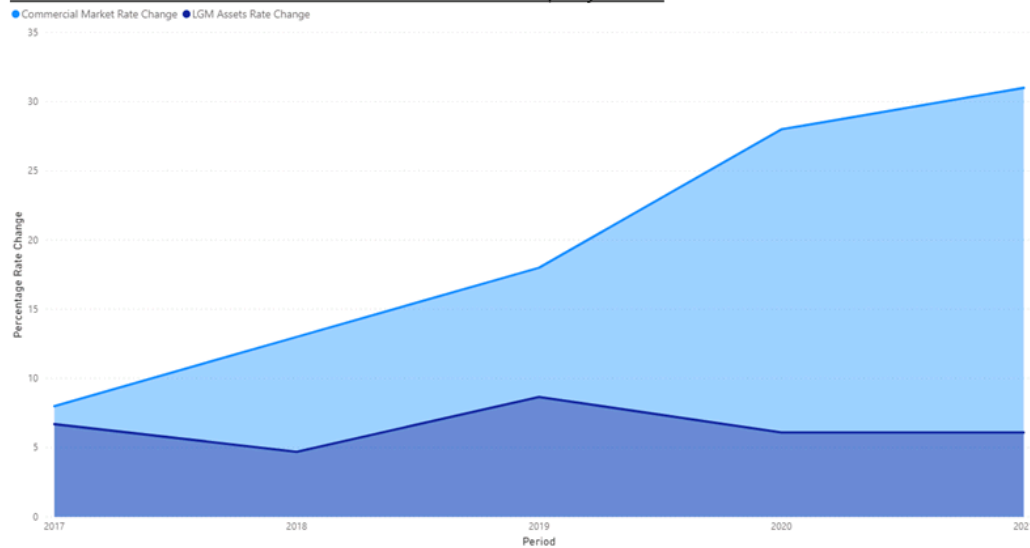
LGM Assets utilises the following strategies to navigate this environment and ensure stable and sustainable contributions for members long term:

- Self-Insurance:** self-insuring a component of members’ risk means that the mutual only engages with commercial insurance markets to the extent that it is absolutely necessary.
- Acting Collectively:** engaging with commercial insurance markets collectively ensures that LGM Assets is able to take advantage of its scale and act as a market influencer as opposed to a price taker.
- Contribution Model:** the use of third party catastrophe models and actuarial analysis enables the mutual to quantify exposure and ensure that individual member contributions and the structure of the program more generally appropriately reflect the underlying exposure.
- Caps & Floors:** caps and floors applied to individual member contributions act to further smooth volatility, essentially ensuring that individual member contributions do not deviate (up or down) significantly from year to year.

The graphic below depicts the performance of LGM Assets relative to the commercial insurance market for the last 5 financial years.



### LGM Assets Performance vs. Pacific Commercial Property Rates



In Australia, more than 90% of Local Government entities finance their risks through self-insurance mutuals that are owned by their participating member councils.

By avoiding direct dependence on commercial insurance markets, mutuals remove Councils from the volatility existing in the general insurance and financial sectors. This stability greatly assists with the budgeting cycle.

This pathway offers long term benefits to Councils and provides the opportunity to:

- Retain the benefits of improved claims performance, rather than simply paying that money away to an insurer;
- Participate in distributions to members to the extent the money in the self-insurance aggregate is not required to pay claims;
- Engage in risk related initiatives that aim to build resilience; and
- Act collectively to preserve coverage, maintain current excess levels and contain pricing.

### Performance Update 2020/21

The LGW/LGM Annual Report for 2019/20 confirms that LGM continues to perform well financially. Claims performance has been positive in each of the last 2 years, notwithstanding above average insured catastrophe losses within the Australian and global commercial insurance markets.

For 2021/22, the LGM Board of Management has again committed to contributing **\$4 million** in unallocated capital to further reduce the net impact of ongoing difficult market conditions.

These monies will again be applied to funding a component of the self-insurance aggregates and will limit the extent of increases that would otherwise be passed on to members.

These funds are in addition to the **\$4.9 million** distributed by LGM Liability and LGW Workcare and are yet another tangible demonstration of the value and strength of the mutuals.





### **Delivering Value for Money**

In addition to providing a comprehensive risk transfer solution, LGM Assets also provides members with access to an array of risk management support and guidance materials at no additional charge.

Each of the LGM Assets risk initiatives aims to assist Councils to reduce the severity and frequency of loss, improve resilience and thereby minimise disruption to Members' operations.

Support provided to Members of the mutual includes:

- LGM Assets Risk Engineering Program – physical inspection of facilities by qualified risk engineers to assist members to reduce the severity and frequency of loss;
- Technical yet practical property risk management advice and materials. These include the development and release of guidance responsive to the drivers of claims and potential sources of risk among the membership;
- Organisation-wide Enterprise Risk Management (ERM) guidance and support;
- The ongoing assistance of the LGMS Regional Risk Coordinators who partner at a strategic level with Councillors and senior officers to encourage ERM and respond to requirements of regulatory authorities including the Department of Local Government and the Queensland Audit Office.

### **Effective Claims Management**

LGM Assets provides members with access to a specialist Local Government claims management team who understand that managing the reputation of Council is equally as important as the monetary cost of the claim.

Our personalised service means all claims are managed by a claims handler who has a detailed understanding of your Council and the Local Government sector.

### **New Initiatives – LGM Assets Valuation Program**

The LGM Board of Management are always looking for ways to enhance the value the mutuals offer, whilst also ensuring that members continue to have access to comprehensive cover at a cost that is sustainable.

One of the best ways that LGM Assets can support members and enhance the long term value offered by the mutuals is by improving the quality of information held about the assets covered in the program and simplifying the onerous task of producing it (e.g. producing asset schedules for renewal).

The LGM Board of Management recently made the strategic decision to establish and fund a Valuation Program for LGM Assets members.

The Valuation Program aims to:

- Provide consistent and accurate replacement valuations across the program (supporting equity among members).
- Develop a clear picture of the exposure covered by the mutual (reducing assumptions and volatility);
- Support comprehensive engagement with supporting insurance markets and the ability of the mutual to drive competitive tension for the benefit of members;
- Identify opportunities for further investments in risk management; and



- Reduce opportunity cost by simplifying the onerous task of production of assets schedules ahead of member renewal process.

The LGM Board of Management is confident that the Valuation Program will assist Members to better manage risk and their assets in the long term. Further detailed information about the program will follow in July 2021. However in the interim please contact your Account Manager, or designated LGMS Regional Risk Coordinator, who can also assist you with any queries.

This document provides a summary of your coverage program, prepared for your new year of LGM Assets membership starting 30<sup>th</sup> June 2021. Please review in detail and contact us if you have any questions regarding this report. We look forward to our ongoing partnership with Council as we continue to deliver risk solutions for local government.

**We await your instructions once you have had an opportunity to consider the contents of this report. Pursuant to the terms and conditions of the LGM Queensland Trust Deed and Scheme Rules we will take steps to protect Council's interests in the absence of your instructions by 4pm on 30 June 2021.**

**Kale Townsend**  
Account Manager



## CONTRIBUTION SUMMARY 2021/22

**This report is prepared for the sole and exclusive use of Maranoa Regional Council and the details are to remain commercially confidential at all times.**

Please note that where we have provided alternative quotations (i.e. increased limits / additional cover / excess options), the table below represents the suggested option for Council. Refer to the individual coverage sections within this report for more detail. Should Council not wish to proceed with the below options but instead prefers one of the other alternative quotes, please contact our office to arrange Council's preferred alternative.

Please find below your Contribution Summary for the next coverage period.

Class of Cover	Contribution	GST	Stamp Duty	Total Contribution	Coverage Provider
Property Protection (ISR)	\$715,112.27*	\$71,511.23		\$786,623.49	Qld Local Govt Mutual (LGM Assets)
Engineering (Machinery Breakdown)	\$30,865.57	\$3,086.56	\$3,055.69	\$37,007.82	Vero facilitated by LGM Assets
Group Personal Accident	\$1,300.00	\$130.00	\$128.70	\$1,558.70	Chubb facilitated by LGM Assets
Group Voluntary Workers	\$690.00	\$69.00	\$68.31	\$827.31	Chubb facilitated by LGM Assets
Marina Operators Liability	\$3,750.00	\$375.00	\$371.25	\$4,496.25	NTI facilitated by LGM Assets
Marine Hull Commercial	\$8,317.27	\$831.73	\$331.46	\$9,480.46	NTI facilitated by LGM Assets
Motor Vehicle	\$283,546.24	\$28,354.62	\$28,071.08	\$339,971.94	QBE facilitated by LGM Assets
<b>Total Cost</b>	<b>\$1,043,581.35</b>	<b>\$104,358.14</b>	<b>\$32,026.49</b>	<b>\$1,179,965.97</b>	

\* Due to the structure of the LGM Assets ISR Cover GST is charged on the amount of the contribution inclusive of Stamp Duty. For all other classes of cover GST is charged on the contribution amount exclusive of Stamp Duty.

Your policies are subject to terms, conditions, endorsements and exclusions which impact on the extent of cover provided. Full details appear in the coverage documents. Contact LGM Assets if you do not have a copy of the document.



## COVERAGE COMMENTARY

### General Information

Once renewal of your program is finalised with the insurers we will send you a Coverage Summary document confirming cover details for placement within the LGM Assets Member Handbook.

Prior to reviewing the terms presented in this report, please ensure that you read and understand the Important Information located at the end of this document.

### Financial Services Guide

Please refer to JLT Public Sector's FSG [here](#) for information on the services offered by JLT Public Sector. It is designed to assist you in making a decision whether to use any of the services offered.

Where we have separate terms of engagement with you and the provisions of those terms of engagement are inconsistent with the provisions of this FSG, the separate terms of engagement will prevail over this FSG to the extent of such inconsistency.

### General Advice Warning (GAW)

Our advice is general in respect of the retail insurance addressed in this report. To help you decide if it suits you, read the Product Disclosure Statement/s. We are happy to provide you with further information.

### Product Disclosure Statement (PDS)

A PDS containing information about the retail insurance addressed in this report is attached. This will enable you to make an informed decision about acquiring that product.

### Validity of Quotations

Quotations in this report are subject to a validity period where indicated within the quotation/s. Where no validity date is shown, we cannot guarantee that insurers will stand by their quotation indefinitely. Therefore, we would appreciate your instructions as soon as possible, but in any case no later than the expiry date of your current policy/ies or proposed inception date of new insurance cover.

### Victor Underwriting Pty Ltd

Part of your insurance portfolio is underwritten by Victor Underwriting Pty Ltd ("Victor") under an authority to bind cover on behalf of the insurer. In underwriting this insurance, Victor may delegate authority to certain employees of our organisation. Victor and those employees act as agents of the insurer and not as your agent. Our organisation and Victor are related companies and Victor is an Authorised Representative (no. 403803) of our organisation.

### New Claims

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience between the date insurers quoted their terms and the expiry date of the insurance or the date of inception of new risks.

If claims do occur during this period, insurers have the right to revise the terms quoted or even rescind their quotation.



### LGM ASSETS SERVICE PLAN

We have set out a proposed service plan to assist with the administration of Council’s portfolio during the next twelve months. The items shown below represent the minimum service standard. We will ensure the provision of these services is delivered in a professional, efficient and timely manner. Please advise if you require any additional items included or amendments to this program.

SCHEDULE OF SERVICES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Scheduled Service Visits – Twice Yearly in addition to LGM/LGW Regional Risk Co-Ordinator Visits												
Quarterly Telephone Engagement with LGMS stakeholders												
Obtain / Produce Programme Claims Experience												
Provide Dynamic Member Dashboard - Claims												
Issue Member Declaration including schedules and proposal forms (if applicable) for updating and completion												
Completed Member Declaration to be received by LGM Assets												
Presentations to market including slips, wordings and underwriting information												
Present Membership Report to Council												
Confirm coverage to Council												
Forward Tax Invoices and Certificates of Currency												
Issue Member Handbook – Summary of Covers												
Ongoing servicing and management												



## PROPERTY PROTECTION (ISR)

OUR REF: 000377

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>MEMBER</b>	Maranoa Regional Council and/or all subsidiary and/or all related companies of all of the above for their respective rights and interests.					
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164 ITC	100.00%				
<b>BUSINESS</b>	Principally but not limited to Local Government Authority and all other activities incidental thereto.					
<b>SITUATION AND/OR PREMISES</b>	Anywhere in Australia including contract sites, where the Member has property or carries on business or has goods or other property stored, or being processed or has work done.					
<b>CHOICE OF LAW AND JURISDICTION</b>	Queensland, Australia					
<b>PERIOD OF PROTECTION</b>	(a) From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).  (b) Any subsequent period for which the Member shall agree to pay and LGM Assets agree to accept a renewal contribution.					
<b>INTEREST(S) PROTECTED</b>	<p><b>Section 1 – Material Loss or Damage</b> All Real and Personal Property of every kind and description (not otherwise excluded) for which a value has been declared, including Personal Property of Councillors, Directors and Employees whilst on the Member's business and not otherwise insured, as more fully defined in the LGM Assets Property Protection Wording V506042021.</p> <p><b>Section 2 – Business Interruption</b> Loss of Gross Revenue, Payroll and Increased Cost of Working, Additional Increased Cost of Working, Severance Pay and Professional Fees as more fully defined in the LGM Assets Property Protection Wording V506042021.</p>					
<b>DECLARED VALUES</b>	<p>The declared values listed below have been used for the calculation of the Member's Contribution to LGM Assets:</p> <table> <tr> <td>Section 1: Material Loss or Damage</td> <td>\$199,971,327</td> </tr> <tr> <td>Section 2: Business Interruption</td> <td>\$8,809,000</td> </tr> </table>		Section 1: Material Loss or Damage	\$199,971,327	Section 2: Business Interruption	\$8,809,000
Section 1: Material Loss or Damage	\$199,971,327					
Section 2: Business Interruption	\$8,809,000					



**LIMIT(S) OF INDEMNITY**

The Limit(s) of Indemnity is the maximum amount payable in respect of any one loss or series of losses arising out of any one Event at any one Situation subject to any Sub-Limit of Indemnity and the application of any Individual Member's Deductible. The Limit(s) of Indemnity and Sub-Limits of Indemnity apply in excess of any applicable Individual Member's Deductible. The Limit(s) of Indemnity and Sub-Limits of Indemnity apply per Member.

**Sections 1 & 2 Combined (Material Loss or Damage & Business Interruption)**

\$150,000,000 single limit any one loss or series of losses arising out of any one Event at any one Situation, per Member.

\$2,000,000 in respect of Flood any one loss or series of losses arising out of any one Event, per Member subject to \$75,000,000 Flood and/or water from or action by the sea, tidal wave or high water any one loss or series of losses arising out of any one Event and in the annual aggregate for all Members.

Noting that the \$75,000,000 annual aggregate for all Members is the aggregated total for all losses arising from the perils of Flood and/or water from or action by the sea, tidal wave or high water.

The maximum limit of indemnity is inclusive of any LGM Assets self-insured retention limit.

**SUB-LIMITS OF INDEMNITY**

The liability of the Insurer(s) shall be further limited in respect of any one claim or series of claims arising out of any one Event at any one Situation as set out hereunder subject to the following conditions:

1. Such Sub-Limit(s) shall apply cumulatively to any one Event at any one Situation (unless expressed to apply on some other basis).
2. The sub-Limit(s) shall only apply to any direct loss or damage to the Property Insured and shall not include any subsequent, consequential or indirect losses which may result therefrom.
3. Each Sub-Limit shall not increase the liability of LGM Assets and the Insurers beyond the Limit(s) of Indemnity expressed above.
4. The Sub-Limits shall apply per Member

**Section 1 – Material Loss or Damage**

Unspecified Damage	\$10,000,000
Burglary/Theft	\$1,000,000
Money & Securities	\$1,000,000
Glass	Replacement Value
Property Undergoing Construction, Erection, Alteration or Addition/Inclusion	\$1,000,000
Property in Transit	\$1,000,000
Statutory Inquiries	\$100,000
Liability to Make Enquiries	\$1,000,000
Fidelity Guarantee – per employee and all employees	\$1,000,000
Additional Taxation Indemnity	\$250,000
Expediting Expenses	\$500,000
Emergency Services	\$100,000
Reward	\$100,000
Landscaping	\$200,000
Loss of Land Value	\$500,000



Rewriting Records	\$2,500,000
Registered Vehicles on Premises	\$250,000

#### Section 2 – Business Interruption

Loss of Gross Revenue and Increased Cost of Working	\$8,809,000
Additional Increased Cost of Working	\$10,000,000
Severance Pay	\$250,000
Professional Fees	\$1,000,000
Public Utilities Extension (Land Based Only)	\$5,000,000
Premises in the Vicinity (Prevention of Access)	\$5,000,000
Other Contributing Properties	\$1,000,000
Fines or Damages	\$100,000
Accounts Receivable	\$200,000
Property at Suppliers and/or Customers Premises	\$5,000,000
General Area Damage	\$5,000,000

#### INDEMNITY PERIOD

36 months except in respect of Public Utilities Extension (Land Based Only), Premises in the Vicinity (Prevention of Access), General Area Damage and Property at Suppliers and/or Customers Premises where the indemnity period will be 12 months.

#### INDIVIDUAL MEMBER'S DEDUCTIBLE

The Member shall bear the following amount(s) in respect of each loss or series of losses arising out of any one Event.

#### Section 1 – Material Loss or Damage

Named Cyclone	\$250,000
Personal Property and Social Clubs	\$100
Earthquake, Subterranean Fire or Volcanic Eruption	
a) \$20,000 or	
b) An amount equal to 1% of the total Declared Values at the situation where the Damage occurs whichever is the lesser.	
Flood	\$250,000
All Other Losses	\$5,000

#### Section 2 – Business Interruption

Public Utilities Extension (Land Based Only)	48 hours
Premises in the Vicinity (Prevention of Access)	48 hours
General Area Damage	48 hours
Property at Suppliers and/or Customers Premises	48 hours

Where any deductible is described as a period of time, it shall be subject to the conditions contained in the Time Deductible Clause attached to this Policy

Should more than one deductible appear under this schedule for any one loss or series of losses arising from the one event, such deductibles shall not be aggregated - the highest single monetary (or its monetary equivalent) level of deductible only shall apply.





**PROTECTION WORDING  
AND CONDITIONS**

LGM Assets Property Protection Wording V506042021 plus the following endorsements:-

**ENDORSEMENTS**

**COMMUNICABLE DISEASE ENDORSEMENT (LMA5393)**

(For use on property policies)

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - 2.1 for a Communicable Disease, or
  - 2.2 any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

LMA5393

25 March 2020

**PROPERTY CYBER & DATA ENDORSEMENT**

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - 1.1 Cyber Loss, unless subject to the provisions of paragraph 2;
  - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3;



- regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
  - 3 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.
  - 4 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
  - 5 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

#### Definitions

- 6 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 7 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 8 Cyber Incident means:
  - 8.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 8.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 9 Computer System means:
  - 9.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.



- 10 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- 11 Data Processing Media means any property insured by this Policy on which Data can be stored but not the Data itself.

LMA5400

11 November 2019

#### **SANCTIONS EXCLUSION ENDORSEMENT**

The following Sanctions Exclusion is to apply, should an existing exclusion of this nature already exist in the referenced Policy Wording, this exclusion shall take precedence.

Insurer(s) will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose Insurer(s) to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

#### **TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

#### **ELECTRONIC EQUIPMENT AND/OR DEVICE ENDORSEMENT**

This policy does not insure against any loss, damage, cost, claim or expense, directly or indirectly, proximately or remotely, whether in whole or in part caused by, resulting from, contributed to, aggravated by or consisting of any malfunction, derangement or inability of

- a) the failure of any Electronic Equipment and/or Device to recognise, interpret, calculate, compare, differentiate, sequence or process data consisting of, dependent on or deduced from one or more dates or time or,
- b) any change, repair, alteration, correction or modification of any part or parts of any Electronic Equipment and/or Device to correct or prevent any anticipated or actual condition or circumstances stated in (a.) above.

**ELECTRONIC EQUIPMENT AND/OR DEVICE** includes but is not limited to computers, computer equipment, coding, programs, instructions or any software stored on electronic, electromechanical, electromagnetic data processing or electronically controlled equipment and media:

- computer hardware, including microprocessors;
- computer application software;
- computer operating systems and related software;
- computer networks;
- microprocessors (computer chips) not part of any computer system;
- any other computerized or electronic equipment or components;



whether the property of the Insured or not.

#### **RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE**

Except as provided for in the Terrorism Exclusion Clause contained herein, this clause will be paramount and will override anything contained in this insurance inconsistent therewith:

1. In no case will this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
  - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

#### **EVENT AND ANNUAL AGGREGATE LIMITS**

Wherever a Limit of Liability or Sub-limit of Liability is stated in the Schedule as applying 'per Event', the total liability of the Insurer(s) shall be limited thereby in respect of such event, regardless of the number of situations or premises incurring loss or Damage.

Wherever a Limit of Liability or Sub-limit of Liability is stated in the Schedule as applying 'in the Annual Aggregate', the total liability of the Insurer(s) shall be limited thereby in respect of the whole Period of Insurance, regardless of the number of events, situations or premises incurring loss or Damage.

#### **WAR & TERRORISM (C)**

It is hereby agreed and declared that Perils Exclusion 1 of this policy is deleted in full and replaced by the following: -

- (a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- (b) any act(s) of terrorism

Terrorism: for the purposes of this exclusion, an act of terrorism means an act, which may include but is not limited to an act involving the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear

(c) confiscation, commandeering, requisition or destruction or damage by or under the order of any government (whether lawfully constituted or otherwise) or public or local authority.

Furthermore any loss, destruction or damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to Perils Exclusion 1(a), 1(b) or 1(c) is also excluded from this policy.

#### **UNDERWRITING INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:





LGM-Assets-Property-Protection-Schedule-of-Declared-Assets\_Final1.xlsx

The Member does not require any changes to existing limits, sub-limits or deductibles

The Member does require cover for revenue generated from assets

The Member does not need to list Customers and/or Suppliers

There is property declared that is likely to or planned to be undergoing renovation in the coming protection period

The member does own property under strata title

**COVERAGE PROVIDED BY** Qld Local Govt Mutual

**MEMBER NUMBER** MARAN000233A

**REMARKS** Please refer to your policy document for details of Terms, Conditions and Exclusions.

#### **RENEWAL INFORMATION**

The LGM Queensland Board of Management has established LGM Assets – Property Protection (ISR) membership contributions for the 2021/22 period. Specifics of Council's 2021/22 LGM Assets arrangements are detailed below.

LGM Assets – Property Protection (ISR) contributions for 2021/22 have taken into account:

- Changes to declared values;
- Claims experience;
- Geographical location & exposure;
- The nature of the assets covered and their resilience to the perils to which they are exposed;
- The desire to maintain and protect the financial stability enjoyed by LGM Assets Members;
- Equity between Members with contributions consistent with Members' respective exposures and claims experiences;
- Application of a cap to protect individual members against significant fluctuations; and
- Outcomes achieved through the application of the LGM Assets Contribution Model.

Key to the success of the mutual model is ensuring that members' individual contributions and the structure of the program more generally appropriately reflect the underlying exposure. It is for this reason that LGM Assets uses third party models (the same models used by insurers/reinsurers worldwide) to quantify the natural catastrophe exposure to the mutual and its members.

The LGM Assets Contribution Model has been developed based on those models and in conjunction with analytics experts. The model utilises members' modelled loss exposure and claims experience to establish a base or 'technical' contribution amount. Members' final contributions are a reflection of the application of caps and floors in order to reduce volatility and efforts to achieve the broader objectives of the mutual set out above.

#### Underlying Market Conditions

As has been noted above (and over the past several years), the insurance market remains challenging. This is a reflection of a continued difficult claims environment (driven by increased



natural catastrophe losses) and a difficult investment environment (characterised by ultra low interest rates and general market volatility).

As at Q1 2021 rate increases across all classes of cover averaged 29%. Having regard to the underlying drivers of these outcomes and a continuing contraction in capacity for local government risks (i.e. a decrease in supply), market conditions are expected to remain challenging for the foreseeable future.

Like each of the other local government owned mutuals (LGM Liability and LGW Workcare) LGM Assets operates with long term objectives of stability and sustainability.

Members of LGM Assets have benefitted significantly from the mutual insurance model. By acting collectively, members of LGM Assets have succeeded in preserving coverage benefits and limiting contribution increases. For the 2021/22, period average increases across the breadth of the scheme are again less than those in the general market.

Queensland local government risks outside the LGM Assets scheme have continued to see reductions in insurer capacity (reduced line sizes), contractions in cover and significant rate increases, notwithstanding positive claims performance.

The outcomes able to be achieved by members of LGM Assets are the result of:

- **Self-Insurance** – The presence of a significant self-insurance aggregate in the LGM Assets Property Protection program, insulates Members from larger fluctuations in the general insurance and financial markets;
- **Continuous Improvement** – A state wide and industry wide approach to continuous risk improvement through initiatives such as the LGM Assets Risk Engineering Program – providing hands on risk management support resourced by qualified engineers;
- **Better Understanding** – Comprehensive catastrophe modelling and actuarial analysis undertaken by LGM Assets enables Members to better understand their risk profile and engage substantively with supporting insurance markets to positively influence cost outcomes;
- **Collective Action** – Collective purchase of supporting insurance cover for the LGM Assets scheme, leveraging off the purchasing power of each of the other state based local government mutual schemes; and
- **Long Term Focus** – Long term commitment of the scheme's supporting insurers.

Without the benefit of these arrangements, and the collective purchasing power of the mutual, all members would be considerably worse off in light of the potential exposure Council assets have to damage.

It is this intensive targeted and collective approach to risk improvement and purchasing that is ultimately driving better and sustainable long term cost outcomes for Queensland Local Government.

#### Changes to your 2021/22 Property Program

#### **Contingent Business Interruption Covers (Public Utilities Extension, Premises in the Vicinity (Prevention of Access), Property at Suppliers or Customers Premises, General Area Damage)**

As Council is aware, the impacts of COVID-19 have been wide ranging and have impacted most areas of social and economic life. Insurers have been careful about managing their exposure to communicable diseases and this has also caused them to reconsider the application of other contingent business interruption covers.



Contingent business interruption covers are those that are contingent on damage to property that might not be owned or used by Council, but otherwise causes interruption to Council's operations. An example could include damage to public utilities infrastructure that in turn causes interruption to Council's operations and a loss of revenue.

Given the interconnectedness of today's society and the potential for very large exposures to emanate from contingent business interruption events, insurers and reinsurers have sought to limit the application of these covers on a per Event basis (as opposed to a per location basis) and apply a radius restriction to ensure that the cover only responds to localised events.

Whilst insurers and reinsurers have sought to curtail the cover, we have been successful in negotiating an increase to the sub-limit, such that members are now better protected against a large contingent business interruption loss.

For the purposes of the LGM Assets program cover for contingent business interruption will now apply as follows:

Public Utilities Extension (Land Based Only):	\$5,000,000 any one Event
Premises in the Vicinity (Prevention of Access):	\$5,000,000 any one Event, 10km radius restriction
Property at Suppliers or Customers Premises:	\$5,000,000 any one Event
General Area Damage:	\$5,000,000 any one Event, 10km radius restriction

A reduced indemnity period of 12 months and a 48 hour time deductible will also apply to these coverages.

#### **Civil Authority & Food or Drink Poisoning, Vermin, Pests or Defective Sanitary Arrangements, Murder, Suicide**

As noted above, insurers and reinsurers are carefully considering their contingent business interruption cover. Close scrutiny is also being given to non-damage business interruption cover given the potentially significant exposure this represents (particularly in today's COVID-19 world). That is, cover for interruption or interference with your business resulting in a loss of revenue which has not resulted from any damage to property. It is ordinarily a requirement of your business interruption cover that there be some corresponding damage to property.

In view of this, insurers have removed any non-damage business interruption cover for the 2021/22 period, namely cover for:

Civil Authority – Actions taken by a civil authority during a conflagration or other catastrophe for the purpose of retarding same; and

Food or Drink Poisoning, Vermin, Pests or Defective Sanitary Arrangements, Murder, Suicide – this clause is relatively self-explanatory and in essence extends the section 2 cover available under the wording following the occurrence of any of the above events at the covered situation.

#### **Sanctions Exclusion Endorsement**

An updated sanctions exclusion endorsement has been included for the 2021/22 period. This takes precedence over the existing sanctions exclusion within the wording and extends the application of the sanctions exclusion to include any sanction, prohibition or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

This is merely intended to clarify the position that no cover will be provided where to do so would expose the mutual to any kind of sanction, prohibition or restriction.

#### **Terrorism Exclusion**



Provides clarification that there is no cover in respect of loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

#### **Electronic Equipment and/or Device Exclusion**

Provides clarification that there is no cover in respect of any loss, damage, cost, claim or expense, directly or indirectly, proximately or remotely, whether in whole or in part caused by, resulting from, contributed to, aggravated by or consisting of any malfunction, derangement or inability of

- a) the failure of any Electronic Equipment and/or Device to recognise, interpret, calculate, compare, differentiate, sequence or process data consisting of, dependent on or deduced from one or more dates or time or,
- b) any change, repair, alteration, correction or modification of any part or parts of any Electronic Equipment and/or Device to correct or prevent any anticipated or actual condition or circumstances stated in (a.) above.

#### **Radioactive Contamination Exclusion Clause**

Provides clarification that there is no cover for:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter, except radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

#### **Event and Annual Aggregate Limits**

Clarifies how limits and sub-limits expressed as applying on an Event and/or Annual Aggregate basis are to apply regardless of the number of situations impacted.

#### **War & Terrorism Exclusion**

Provides clarification that there is no cover provided in respect of war or terrorism, including any action taken to control, prevent or suppress such events.

This is consistent with the current position under the wording, wherein there is no cover for war or terrorism, but clarifies the intention of those exclusions.

#### **Property Protection Contribution & Claims Summary**

Council's LGM Assets Property Protection contribution for 2021/22 is \$786,623.49 (inclusive of all charges). This is a function of Council's claims experience, the declared value and an increase in line with the transitioning market.

Council's Property Protection claims experience for the 2020/21 period has resulted in \$0 in incurred claims costs equating to a loss ratio of 0%. Council's four year loss ratio is currently 13%.





## GROUP PERSONAL ACCIDENT

OUR REF: 000637

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>INSURED</b>	Maranoa Regional Council	
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164	ITC 100.00%
<b>BUSINESS</b>	All activities of the insured, principally but not limited to Local Government including property owners/occupiers and any other incidental occupations including Water Authorities and River Improvement Trusts.	
<b>GEOGRAPHICAL SCOPE</b>	Worldwide	
<b>JURISDICTIONAL SCOPE</b>	Australia	
<b>GOVERNING LAW OF CONTRACT</b>	Australian	
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).	
<b>INTEREST INSURED</b>	Cover under the Policy applies to all those hazards to which a Covered Person is exposed whilst actually engaged in official Council business including necessary direct travel to and from such Council business on behalf of the LGM Assets Member. Provided always that the Policy shall only apply in respect of such work officially organised by and under the control of the LGM Assets Member.	
<b>COVERED PERSON(S)</b>	1. Mayor and Councillors 2. Senior Staff (where declared) 3. Accompanying Spouse/Dependent Children of 1 and 2 above (where declared) of the current LGM Assets Members as listed in the endorsement schedule.	
<b>SCHEDULE OF BENEFITS</b>	<b>Insured Events (as per Policy)</b>	<b>Each Insured Person</b>
	Event 1 – Accidental Death	7 x Salary up to \$500,000
	Events 2 – 19	7 x Salary up to \$500,000
	Persons Aged 75 to 79	\$250,000
	Persons Aged 80 to 89	\$100,000



Persons Aged 90 and over	\$25,000
<b>(Note: Nil cover for Event 2, Permanent Total Disablement for Persons Aged 90 and over)</b>	
Part B – Bodily Injury Resulting in Surgery - Benefits	\$20,000
Part B – Weekly Benefits – Bodily Injury	85% to a max \$3,000 for a max of 156 weeks 7 day excess
Part C – Weekly Benefits – Sickness	Nil
Part C – Sickness Resulting in Surgery - Benefits	\$20,000
Part D – Fractured Bones – Lump Sum Benefits	\$5,000
Part E – Loss of Teeth or Dental Procedures – Lump Sum Benefits	\$5,000
Limit per Tooth	\$500

**Note:** No Part B Weekly Benefits – Bodily Injury or Part C Weekly Benefits - Sickness are payable for persons aged 75 years and over.

#### ADDITIONAL BENEFITS

Return to Work Assistance	\$20,000
Tuition or Advice Expenses	\$4,500
Unexpired Membership Benefit	\$3,000
Replacement Staff/Recruitment Costs	\$5,000/employee
Visitors Benefit	\$15,000
Corporate Image Protection	\$15,000
Independent Financial Advice	\$7,500
Funeral Expenses	\$15,000
Coma Benefit	\$500/week max 26 weeks
Partner Retraining	\$15,000
Dependent Child Supplement	\$10,000/child, \$30,000/family
Orphaned Benefit	\$10,000/child, \$30,000/family
Modification Expenses	\$10,000
Chauffeur Services	\$2,500
Executor Emergency Cash Advance	\$25,000
Emergency Home Help	\$500/week max 26 weeks 7 day Excess
Student Tutorial Costs	\$500/week max 26 weeks 7 day Excess
Premature Birth / Miscarriage Benefit	\$5,000
Bed Care	\$500/week max 26 weeks
Terrorism Injury Benefit	\$20,000
Terrorism Injury Benefit – Aggregate Limit	\$200,000
Accommodation and Transport Expenses	\$10,000
Education Fund Benefit	\$5,000
Out of Pocket Expenses	\$5,000
Childcare Benefit	\$5,000
Work Experience Benefit	\$5,000
Workplace Assault Benefit	\$5,000
Workplace Trauma Benefit	\$5,000
Air or Road Rage Benefit	\$5,000
Carjacking Benefit – Excess & Vehicle Hire	\$5,000
Carjacking Assault Benefit	\$5,000
Reconstructive or Cosmetic Surgery Benefit	\$15,000
Cancer Benefit	\$5,000
<b>(Note: No Cancer Benefit provided for Persons aged 75 years or over)</b>	
Non-Medicare Medical Expenses	\$1,500
Supplementary Election Benefit	\$50,000



**AGGREGATE LIMIT(S)  
OF LIABILITY**

(A) Any one Period of Insurance	\$3,000,000
(B) Non-scheduled Flights	\$1,500,000
(C) War / Civil War – any one Event	\$500,000
(D) War / Civil War – any one Period of Insurance	\$1,000,000

**Note:** The Aggregate Limits of Liability listed above are per Member. Members' Limits are not limited in the aggregate across all Members.

**AGE LIMITATION**

Unlimited

**POLICY WORDING  
AND CONDITIONS**

Chubb Personal Accident and Sickness Insurance Policy Wording and PDS -21PDSGPA01

**ENDORSEMENTS**

**Supplementary Election Benefit**

If We pay or agree to pay a benefit under Part A – Lump Sum Benefits, with respect to an elected member of council We will also pay the reasonable costs incurred by the Policyholder to conduct a supplementary election up to a maximum of \$50,000.

**Non-Medicare Medical Expenses**

If during the Period of Insurance and whilst the person is a Covered Person providing services, without payment, to an educational, religious, charitable or benevolent organisation on behalf of the Policyholder, the Covered Person suffers from a Bodily Injury, We will pay up to \$1,500 for Non-Medicare Medical Expenses. No cover is provided for Covered Persons engaging in voluntary work experience with the Policyholder (except to the extent that they are engaged in providing services, without payment, to an educational, religious, charitable or benevolent organisation on behalf of the Policyholder).

Non-Medicare Medical Expenses means expenses:

- a) Incurred within twelve (12) months of sustaining a Bodily Injury; and
- b) Paid by a Covered Person or by the Policyholder for Doctor, physician, surgeon, nurse, physiotherapist, chiropractor, osteopath, hospital and/or ambulance services for the following treatments:
  - Medical
  - Surgical
  - X-ray
  - Chiropractic
  - Osteopathic
  - Physiotherapy
  - Hospital
  - Nursing Treatment

But does not include dental treatment, unless such treatment is necessarily required to teeth other than dentures and is caused by the Bodily Injury referred to in (a) above.



Any benefit payable under Non-Medicare Medical Expenses is less any recovery made from any private health insurance fund with respect to the expenses. No benefit is payable in respect of the Medicare gap, being the difference between the payment made by Medicare and the Medicare Benefits Schedule fee for the expense.

#### **UNDERWRITING INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:

The Member does not require any changes to existing limits, sub-limits or deductibles

4 Senior Staff declared for the 2021/2022 period

0 Accompanying Spouse/Others declared for the 2021/2022 period

The Member does not require 24/7 coverage

#### **COVERAGE PROVIDED BY**

Qld Local Govt Mutual

#### **MEMBER NUMBER**

MARAN000233A

#### **REMARKS**

Please refer to your policy document for details of Terms, Conditions and Exclusions.

#### **RENEWAL INFORMATION**

Terms have been obtained from the existing coverage provider, Chubb for the 2021/22 period for the LGM Assets Accident & Health program.

We are pleased to advise that rates have remained stable and are consistent with those provided last year. Any changes in quoted premium will therefore be as a direct result of the covered person numbers declared for cover.

We confirm the following changes to coverage for the next period:-

- Removal of the Accidental HIV Infection Benefit. Coverage for this now forms part of the overall policy benefits.
- Aggregate Limit of Liability, any one period of insurance has increased from \$2,000,000 to \$3,000,000
- Aggregate Limit of Liability, Non-Scheduled Flights has increased from \$500,000 to \$1,500,000.

A new policy wording now applies, with updates to the wording ensuring Chubb's ASIC compliance with consumer and small business unfair contract term (UCT) protection. There has been no change to the coverage offered other than that detailed above.

All other terms and conditions remain as expiring.



## GROUP VOLUNTARY WORKERS

OUR REF: 000638

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>INSURED</b>	Maranoa Regional Council	
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164	ITC 100.00%
<b>BUSINESS</b>	All activities of the insured, principally but not limited to Local Government including property owners/occupiers and any other incidental occupations including Water Authorities and River Improvement Trusts.	
<b>GEOGRAPHICAL SCOPE</b>	Worldwide	
<b>JURISDICTIONAL SCOPE</b>	Australia	
<b>GOVERNING LAW OF CONTRACT</b>	Australian	
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).	
<b>INTEREST INSURED</b>	Cover under the Policy applies to all those hazards to which a Covered Person is exposed whilst actually engaged in voluntary work including necessary direct travel to and from such voluntary work on behalf of the LGM Assets Member. Provided always that the Policy shall only apply in respect of such work officially organised by and under the control of the LGM Assets Member	
<b>COVERED PERSON(S)</b>	All Voluntary Workers	
<b>SCHEDULE OF BENEFITS</b>	<b>Insured Events (as per Policy)</b>	<b>Each Insured Person</b>
	Event 1 – Accidental Death (Lump Sum Benefit)	\$250,000
	Events 2 – 19 (Lump Sum Benefit)	\$250,000
	Persons Aged 75 to 84	\$25,000
	Persons Aged 85 and over	\$10,000
	Persons Aged under 18 – Accidental Death Only	\$10,000
	Part B – Bodily Injury Resulting in Surgery - Benefits	\$2,000
	Part B – Weekly Benefits – Bodily Injury	85% to \$1,500
		Max 104 weeks
		7 day excess
	Part C– Fractured Bones – Lump Sum Benefits	\$3,000
	Part D– Loss of Teeth or Dental Procedures – Lump Sum Benefits	\$1,000



Limit per Tooth \$250

**Note:** No Part B - Weekly Benefits – Bodily Injury or Part C Weekly Benefits – Sickness are payable for persons aged 75 and over.

#### ADDITIONAL BENEFITS

Tuition or Advice Expenses	\$2,500
Unexpired Membership Benefit	\$2,500
Visitors Benefit	Nil
Corporate Image Protection	\$15,000
Independent Financial Advice	\$7,500
Funeral Expenses	\$7,500
Coma Benefit	\$350/week max 13 weeks
Partner Retraining Benefit	\$15,000
Dependent Child Supplement	\$5,000/child, \$15,000/family
Orphaned Benefit	\$5,000/child, \$10,000/family
Modification Expenses	\$15,000
Chauffeur Services	\$2,500
Non-Medicare Medical Expenses	\$5,000
Emergency Home Help	\$500/week max 52 weeks 7 day excess
Persons Aged 75-84	\$250/week max 26 weeks 7 day excess
Persons Aged 85 and over	\$250/week max 13 weeks 7 day excess
Student Tutorial Costs	\$500/week max 52 weeks 7 day excess
Premature Birth/Miscarriage Benefit	\$5,000
Bed Care	\$500/ week max 26 weeks 48 hour excess
Terrorism Injury Benefit	\$20,000
Terrorism Injury Benefit – Aggregate Limit	\$200,000
Accommodation and Transport Expenses	\$5,000
Education Fund Benefit	\$5,000
Out of Pocket Expenses	\$5,000
Childcare Benefit	\$5,000
Work Experience Benefit	\$5,000
Workplace Assault Benefit	\$5,000
Workplace Trauma Benefit	\$5,000
Personal Vehicle Excess Benefit	\$1,000
Rental Vehicle Reimbursement	\$250/week max \$1,000

#### AGGREGATE LIMIT OF LIABILITY

(A) Any one Period of Insurance	\$2,500,000
(B) Non-scheduled flights	\$500,000
(C) Any one (1) event with respect to War / Civil War	\$500,000
(D) Any one (1) Period of Insurance with respect of War / Civil War	\$1,000,000

**Note:** The Aggregate Limits of Liability listed above are per Member. Members' Limits are not limited in the aggregate across all Members.

#### AGE LIMITATION

Unlimited





**POLICY WORDINGS  
AND CONDITIONS**

Chubb Voluntary Workers Insurance Policy Wording and PDS - 21PDSVW01

**UNDERWRITING  
INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:

The Member does not require any changes to existing limits, sub-limits or deductibles

115 Estimated number of Voluntary Workers declared

15 Maximum number of Voluntary Workers any one day declared

365 Maximum number of days declared

**COVERAGE PROVIDED BY**

Qld Local Govt Mutual

**MEMBER NUMBER**

MARAN000233A

**REMARKS**

Please refer to your policy document for details of Terms, Conditions and Exclusions.

**RENEWAL INFORMATION**

Terms have been obtained from the existing coverage provider, Chubb for the 2021/22 period for the LGM Assets Accident & Health program.

We are pleased to advise that rates have remained stable and are consistent with those provided last year. Any changes in quoted premium will therefore be as a direct result of the voluntary worker numbers declared for cover.

We confirm the following changes to coverage for the next period:-

- Removal of the Accidental HIV Infection Benefit. Coverage for this now forms part of the overall policy benefits.

A new policy wording now applies, with updates to the wording ensuring Chubb's ASIC compliance with consumer and small business unfair contract term (UCT) protection. There has been no change to the coverage offered other than that detailed above.

All other terms and conditions remain as expiring.



## MOTOR VEHICLE

OUR REF: 000297

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>MEMBER</b>	Maranoa Regional Council	
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164	ITC 100.00%
<b>BUSINESS</b>	All activities of the insured, principally but not limited to Local Government including property owners/occupiers and any other incidental occupations.	
<b>GEOGRAPHICAL SCOPE</b>	Australia	
<b>JURISDICTIONAL SCOPE</b>	Australia	
<b>GOVERNING LAW OF CONTRACT</b>	Australian (Queensland)	
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).	
<b>INTEREST INSURED</b>	Section 1: Loss or damage to the Insured Vehicle. Section 2: Legal Liability (Personal Injury and Property Damage)  As per the Annually Declared Schedule of Vehicles, plus any additional vehicles accepted by the Insurer in accordance with the Product Disclosure Statement.	
<b>LIMITS OF LIABILITY</b>	<p><b>Section 1</b> Loss or Damage to Vehicle Market Value</p> <p><b>Section 2</b> Legal Liability \$32,500,000 Dangerous Goods, Pollution or Debris Removal \$10,000,000 Damage caused whilst vehicle is digging, excavating, boring or drilling \$7,500</p>	
<b>SUB-LIMITS OF LIABILITY</b>	<p><b>Section 1</b> Automatic Additions and Deletions \$750,000 Funeral Expenses \$15,000 Hospitalisation – Family Attendance Benefit \$2,500 per event and \$10,000 per period</p>	





Expediting Expenses	\$5,000 or 50% of repairs, whichever is the lesser, where reasonably required
Reward for Return	\$10,000 per event
Hire Vehicle Following Theft or Accident	\$10,000
Downtime	\$10,000
Daily Indemnity Rate	\$333.33
Deferment Period	7 days
Indemnity Period	30 days
Trailer Cover	\$2,500
Vehicle Recovery Costs	\$50,000
Authorised Driver's Personal Property	\$5,000
Authorised Driver's Personal Property – Money, Securities Jewellery, Furs, Mobile Phones, Personal Music Devices, Portable GPS, Tools of Trade, Laptop Computers	\$2,000
Keys and Locks	\$10,000 any one vehicle and \$50,000 any one event
Vehicles Used on Company Business by Employees, Mayors & Councillors of the Insured:	
Loss, Damage or Liability	\$50,000 or market value whichever is the lesser
Loss of No Claim Bonus/Excess	\$1,000
Public Relations Expenses	\$50,000
Authorities Costs	\$50,000
Claims Preparation Costs	\$20,000
First Aid	\$5,000
Psychological Counselling	\$10,000

And as per PDS

The Limit(s) of Liability and Sub-Limits of Liability apply to each Member individually as though they were each insured separately under this policy.

And as per PDS

#### EXCESS(ES)

Council will contribute the first \$600 of each and every claim

#### POLICY WORDING AND CONDITIONS

QBE Insurance (Australia) Heavy Haulage PDS and Motor Vehicle Insurance Policy QM202-0421 including the following Endorsements:

Insured Party Endorsement  
 Automatic Additions and Deletions Endorsement  
 Funeral Expenses Endorsement  
 Hospitalisation – Family Attendance Benefit  
 Driver Repatriation – Radius Endorsement  
 Driver Repatriation – Application to Passengers  
 Vehicle Modifications Endorsement  
 Redelivery Following Repairs Endorsement  
 Expediting Expenses Clause  
 Reward For Return Endorsement  
 Hire Vehicle Following Theft or Accident Endorsement



Downtime Endorsement  
Trailer Cover Endorsement  
Theft of Certain Vehicle Accessories  
Vehicle Recovery Endorsement  
Immobilisation Endorsement  
Accessories Endorsement  
Authorised Driver's Personal Property Endorsement  
Pollution and Dangerous Goods Transport Liability Endorsement  
Keys and Locks Endorsement  
Vehicles Used on Company Business by Employees, Mayors & Councillors of the Insured  
Public Relations Expenses Endorsement  
Novated Leases Endorsement  
Severability/Cross Liability/Subrogation Waiver  
Dry Hire Endorsement  
Airside Endorsement  
Conveyance of Passengers for Fare or Reward Endorsement  
Theft by Employees Endorsement  
Age Limitation Endorsement  
Sole Deductible Endorsement  
Tipping Excess Endorsement  
Age/Inexperienced Driver Excess Endorsement  
New Vehicle Endorsement  
Registered and Unregistered Mobile Plant (Tool of Trade)  
Unspecified Vehicle on Loan/Hire Endorsement  
Premium Adjustment Endorsement – Claims Experience Discount (CED)  
Amphibious and Other Multi-Use Vehicles  
Authorities Costs  
Claims Preparation Costs  
First Aid  
Movement of Other Vehicles  
First Aid Costs  
Psychological Counselling  
Your Vehicle Used for the Purpose of Conducting Drivers Licensing Test



## **ENDORSEMENTS**

### **INSURED PARTY ENDORSEMENT**

The Definition of 'you, your' on Page 9 of the Policy Wording, is deleted and replaced with "the Local Authority policyholder named in the schedule, subsidiary and other entities which the Insured has assumed an obligation to insure (including acquired or incorporated during the Period of Insurance) and any other party or person insured under this policy."

### **AUTOMATIC ADDITIONS AND DELETIONS ENDORSEMENT**

In the Policy Wording on page 12 of the PDS, "Automatic additions and deletions - applicable to all types of cover" - the words "during the current period of insurance" are deleted and replaced with "after providing an updated schedule of vehicles to enable renewal of your cover but prior to inception of the new period of insurance or at any time during the period of insurance"

In Clause (a) of this section the words 'limited to \$500,000' are deleted and replaced with 'limited to \$750,000'.

### **FUNERAL EXPENSES ENDORSEMENT**

On page 14, in the Funeral Expenses section, the words: "we will pay up to \$10,000 in total any one period of insurance" is deleted and replaced with "we will pay up to \$15,000 in total anyone period of insurance, limited to death occurring within 12 months of the insured event".

### **HOSPITALISATION - FAMILY ATTENDANCE BENEFIT**

Included in the Cover is the associated expenses of the immediate family to attend hospital where the authorised driver or a passenger in an insured vehicle sustains injury requiring hospitalisation. Expenses covered include the reasonable costs for transportation, accommodation, meals and related expenses (within Australia only). Limited to \$2,500 per event and \$10,000 per period of insurance.]

### **DRIVER REPATRIATION - RADIUS ENDORSEMENT**

On page 12, in the section "The cost of repatriating your driver following theft or accident – applicable to comprehensive cover only" the words "your vehicle was more than 150 kilometres from" is deleted and replaced with "your vehicle was more than 100 kilometres from".

### **DRIVER REPATRIATION – APPLICATION TO PASSENGERS**

On page 12, in the section "The cost of repatriating your driver following theft or accident – applicable to comprehensive cover only" the words "and/or passengers" are added after the words "returning an insured driver"

### **VEHICLE MODIFICATIONS ENDORSEMENT**

We will pay the reasonable and necessary costs of modifying your vehicle for you or any authorised driver of your vehicle who is permanently disabled as a result of the insured event.

### **REDELIVERY FOLLOWING REPAIRS ENDORSEMENT**

On page 12 of the policy wording, in the Section "Redelivery - applicable to comprehensive cover only" the words "for up to \$5,000" are deleted and replaced with "for the reasonable costs". The second sub-clause reading "the situation where your vehicle was repaired was more than 150 kilometres from your vehicle's normal parked address." is deleted.

### **EXPEDITING EXPENSES CLAUSE**

Cover includes express or airfreight charges to obtain parts and equipment for repairs to a limit of any one event of \$5,000 or 50% of repairs, whichever is the lesser where reasonably required. Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value whichever is the lesser, we reserve the right to declare the vehicle a total loss.

On page 8 the following section is deleted: "Unavailable parts In the event of an incident covered under this Policy, should any part of your vehicle and/or other insured property become unavailable in



Australia, we will reimburse you, in accordance with the basis of settlement under 'What we will pay – Basis of settlement', but in no circumstances will we be liable for more than the cost of the parts plus the cost of freighting such parts by sea transport. Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value whichever is the lesser, we reserve the right to declare the vehicle a total loss."

**REWARD FOR RETURN ENDORSEMENT**

Where your vehicle has been stolen, we will provide a reward for the actual return of the stolen Vehicle. The amount we will pay is limited to the 20% of the sum insured/market value of the Vehicle, whichever is lesser. The maximum amount we will pay is limited to \$10,000 per event.

**HIRE VEHICLE FOLLOWING THEFT OR ACCIDENT ENDORSEMENT**

On pages 13 and 16 of the Policy Wording, for the Sections "Hire Cost following theft – applicable to comprehensive cover only" and "Hire vehicle costs following an accident" the maximum limit for hire costs is increased to \$10,000.

**DOWNTIME ENDORSEMENT – APPLICABLE TO VEHICLES WITH A GROSS VEHICLE MASS GREATER THAN 3,500 KILOGRAMS**

Definitions	
Daily Indemnity Rate	the rate on the Policy Schedule
Deferment Period	The period of time set out in the Policy Schedule either: a) after the receipt by the company of notification of the loss; or b) if the insured requests that the vehicle be transported interstate for repairs, after the date the vehicle arrives at the place it is ultimately repaired
Indemnity Period	The period commencing immediately after the completion of the deferment period but not exceeding the number of days shown in the schedule
Limit of Indemnity	The total amount of protection afforded under this cover
Policy Schedule	The Schedule forming part of this cover

**Our Agreement**

If you pay us the premium we agree that we will extend this Policy by providing you with a daily indemnity which will cover you for loss suffered within the indemnity period resulting directly from loss of or damage to your vehicle provided that liability in respect of such damage is admitted under the Policy and subject to the conditions and exclusions of this cover

**Section 1 The Cover**

We will pay at our option:

- 1.1 (a) the daily indemnity rate during the indemnity period provided that the daily indemnity rate multiplied by the number of days loss of vehicle does not exceed the limit of indemnity; and
- (b) all reasonable and necessary costs (to an amount not exceeding \$500) incurred to reduce or prevent the loss that would otherwise be payable under (a) above provided that this amount when added to the amount referred to in (a) above does not exceed the limit of indemnity;



- OR
- 1.2 the reasonable cost of hiring a replacement for your vehicle (or part thereof) provided that the daily hire cost does not exceed the daily indemnity rate and further provided that the daily hire cost multiplied by the number of days loss of vehicle use does not exceed the limit of indemnity;
- Until such time as the repairer states that the repairs have been completed and that your vehicle has been repaired to its former state of roadworthiness.

### Section 2 Exclusions

We will not pay:

- 2.1 For loss after the repairer states that repairs have been completed and that your vehicle has been repaired to its former state of roadworthiness,
- 2.2 For loss after we have declared that the vehicle cannot be economically repaired and agreed to treat any claim as being one of constructive total loss,
- 2.3 For loss attributable to any overhauls, inspections or modifications performed on your vehicle whether carried out in conjunction with the repairs to your vehicle or not,
- 2.4 For any fines, penalties or loss resulting from breach of contract or not as a result of or attributable to the loss of damage to your vehicle,
- 2.5 For any loss for a period greater than fifteen (15) days after the deferment period in the event that your vehicle is stolen and not recovered (provided that if your vehicle is recovered after such fifteen (15) day period has elapsed, we will reimburse you),
- 2.6 For loss attributable to time delays caused by or resulting from any changes in legislation or regulation measure or restriction imposed by any government or public authority
- 2.7 For loss attributable to any business of yours being wound up or carried on by a liquidator or receiver or otherwise being permanently discontinued,
- 2.8 In any other case a daily indemnity rate greater than the daily indemnity rate and in respect of any one claim or incidence an amount greater than the limit of indemnity,
- 2.9 For any loss which falls within the deferment period,
- 2.10 If your vehicle was in the possession of another party for the purpose of sale or rental at the time of the loss,
- 2.11 If your vehicle was in the possession of another party for the purpose of sale or rental at the time of the loss,
- 2.12 For any loss where the loss or damage claim does not exceed the vehicle excess.

### Section 3 Claims

In the event of a claim, you must:

- 3.1 Use due diligence to permit all things to be done which may be reasonably practicable to assist with the repairs to your vehicle and minimise the loss,
- 3.2 Furnish us with all information and evidence which we may reasonably require to assess the loss.

### Section 4 Conditions

#### Conditions specific to this cover

We will not insure you under this cover:

- 4.1 If your vehicle is not insured under this policy for loss or damage,
- 4.2 If your vehicle ceases to be insured under this policy for loss or damage then this cover will be cancelled and any refund will be subject to no claims having been made under this endorsement during the policy term,
- 4.3 If your vehicle is settled as a total loss under the loss or damage section of this policy and we have finalised your claim for the vehicle under this endorsement the cover will be cancelled with no refund.

Except to the extent that you cannot use your vehicle even though your vehicle may not be available following loss or damage otherwise covered under the policy is hereby waived, all other terms and conditions of the Policy shall apply to this cover.

### TRAILER COVER ENDORSEMENT





On page 12, the section "Trailer cover - applicable to comprehensive cover only" the limit is increased to \$2,500.

#### **THEFT OF CERTAIN VEHICLE ACCESSORIES**

If any of the following accessories that would normally be attached to or in or on your vehicle are stolen during the period of insurance we will pay the reasonable cost to replace them, even if the theft occurs while they are not attached to your vehicle or if they are not shown on the agreed schedule of vehicles:

- Buckets
- Chain trencher
- Hammer
- Laser
- Pallet forks
- Post hole borer
- Ramps
- Ripper
- Rock breaker
- Sweeper

We will not cover these accessories if:

- You do not give us evidence to satisfy us that the insured amount reflects the value of your vehicle plus the accessories; or
- You cannot prove you owned the accessories.

You must pay the basic excess applicable to your vehicle for any claim under this Additional Cover, unless you have already paid the excess applicable to your vehicle because it was also stolen in the same event.

#### **VEHICLE RECOVERY ENDORSEMENT**

On page 12 in the Recovery Costs Following Theft Section, the following words are deleted: "If your vehicle is stolen and found we will cover you for up to \$10,000 to return your vehicle to its normal parked address." and replaced with: "if your vehicle is stolen and found we will cover you for up to \$50,000 to return your vehicle to its normal parked address."

#### **IMMOBILISATION ENDORSEMENT**

On page 15 in the Vehicle Recovery Costs section, the words "on a work site or in a physical situation whilst being used as part of your normal business operations" is deleted.

#### **ACCESSORIES ENDORSEMENT**

On page 10, in the Section "What you are insured against", clauses (b), (c) and (d) are deleted and replaced with "(b) all equipment fixed (built in, bolted in or otherwise permanently affixed) to the vehicle and all accessories attached to or supplied with the vehicle including those installed by the Insured's employees, and any further accessories or modifications as notified and agreed to in the agreed schedules of vehicles and accessories."

#### **AUTHORISED DRIVER'S PERSONAL PROPERTY ENDORSEMENT**

On page 13, in the section "Driver's personal property - applicable to comprehensive cover only" the term "Driver" shall also apply to non-employee drivers authorised by the insured to be driving the insured vehicle. Subclause (a) is deleted and replaced with "money, securities, jewellery, furs, mobile phones, personal music devices, portable GPS, tools of trade and laptop computers are limited to \$2,000 per event under this coverage"

#### **POLLUTION AND DANGEROUS GOODS TRANSPORT LIABILITY ENDORSEMENT**





The Limit of Liability for Dangerous Goods Transport, Pollution or Debris Removal Liability is amended to read the amount that is shown on the Policy schedule for this cover.

#### **KEYS AND LOCKS ENDORSEMENT**

On page 14, in the section "Locks and keys" the words "\$5,000 any one period of insurance" are deleted and replaced with "\$10,000 any one vehicle and \$50,000 any one event".

No excess is payable if no other loss or damage, other than to your vehicle's keys has occurred.

#### **VEHICLES USED ON COMPANY BUSINESS BY EMPLOYEES, MAYORS & COUNCILLORS OF THE INSURED**

It is hereby declared and agreed that the policy is extended to cover 1. loss, damage or liability or 2. loss of NCB and/or Excess in respect of Employees, Mayors & Councillors own vehicles, whilst in the charge of or being driven by a person who is authorised to use the vehicle on behalf of and on the business of the insured, excluding travelling to and from the normal place of garaging :

1. LOSS DAMAGE OR LIABILITY: excluding indemnity for vehicles which are otherwise insured. This extension is subject to

a. a limit, any one vehicle, of \$50,000 or market value whichever is the lesser.

b. a standard excess of \$300 plus any applicable age or driver experience excess

2. LOSS OF NCB/EXCESS – Indemnity for vehicles otherwise insured for any loss of no-claim bonus (as defined below) &/or excess applying to the primary insurance policy, following loss, damage or liability. Maximum limit under this cover is \$1,000 any one loss and no underlying excess will be applied under this extension.

a. Definition of loss of no-claim bonus:

We will pay to the employee that amount of money equivalent to bringing the no-claim bonus back to the level which was applicable to the vehicle prior to the accident occurring.

Settlement will be based on the underwriters' current rates and rating structure at the time of the accident, and will be made as one lump sum payment within two months of other aspects of the loss being settled.

b. If the employee's insurance would not usually penalise the NCB or impose an excess for the claim concerned, then this cover will not apply.

All other policy conditions and exclusions apply to this extension.

#### **PUBLIC RELATIONS EXPENSES ENDORSEMENT**

We will pay the reasonable costs for public relations expenses (including with a public relations, crisis management or law firm), incurred with our prior written consent, to prevent or limit adverse effects or negative publicity in respect of a claim. Cover is limited to \$50,000.

#### **NOVATED LEASES ENDORSEMENT**

This Policy extends to cover employees, their spouses or partners and immediate family's Vehicles, which are the subject of a novated lease or similar agreement, arranged under the auspices of and specifically agreed to be insured by the Insured. Further this Policy extends to indemnify any other party having an interest in any Vehicle by virtue of and in accordance with the terms of any novated lease or similar agreement.

#### **SEVERABILITY/ CROSS LIABILITY/ SUBROGATION WAIVER**

This Policy, including any amendment, renewal, variation or Endorsement of it, shall be construed as if each person entitled to claim on it, whether a party to the contract of insurance or not, had made a proposal, application or request for the policy, amendment, renewal, variation or Endorsement in



respect of their interest only. Further, any information or knowledge possessed by a person entitled to claim on this Policy, whether possessed before or after the contract was entered into, shall not be imputed to any other such person. The Insurer will not seek any relief whatsoever (including cancellation of this Policy) for non-disclosure and/or misrepresentation against a person entitled to claim under this Policy unless the Insurer would have been entitled to that relief had the person claiming been the only person covered by this Policy.

Further, neither the inclusion of more than one Insured under this Policy nor any act, omission, breach or default by any Insured shall in any way affect the rights of any other Insured, it being intended that this Policy should be construed as if a separate contract of insurance had been entered into by each Insured but not so as to increase the Insurer's Limit of Liability.

The Insurer agrees to waive all rights of subrogation or action that they may have or may acquire, against any insured party under this Policy.

#### **DRY HIRE ENDORSEMENT**

Cover is included for damage and liability to vehicles and other equipment insured under this Policy where those items are being 'Dry Hired' out to other parties, ie. where they are hired to other parties without an operator or driver provided by you. All items to be included in this cover are required to be noted as subject to 'Dry Hire' on the asset schedule.

#### **AIRSIDE ENDORSEMENT**

The legal liability exclusion relating to your vehicle being driven or used at, in or on any aircraft hangar or any part of an airport or airfield used by aircraft for loading, unloading, taxiing, take-offs is hereby deleted in its entirety and replaced by the following: 'if at the time of the event your vehicle is being used for the sole purpose of fuelling or refuelling aircraft.'

#### **CONVEYANCE OF PASSENGERS FOR FARE OR REWARD ENDORSEMENT**

Cover is included for damage and liability to vehicles or trailers carrying persons for fare or reward. All items to be included in this cover are required to be specified on the asset schedule.

#### **THEFT BY EMPLOYEES ENDORSEMENT**

On page 17 of the Wording, Additional Exclusion no. 6 is deleted and replaced with "loss of or damage to your vehicle or liability resulting from theft by you, your partners or directors, or your employees where such theft was undertaken with your consent and/or knowledge.

#### **AGE LIMITATION ENDORSEMENT**

On page 18. General Exclusion 23 is deleted in its entirety.

#### **SOLE DEDUCTIBLE ENDORSEMENT**

In the event of a loss that involves more than one unit, as listed on the schedule, the highest deductible applicable is the sole deductible applied to the loss.

#### **TIPPING EXCESS ENDORSEMENT**

The Tipping excess does not apply to this policy.

#### **AGE/INEXPERIENCED DRIVER EXCESS ENDORSEMENT**

No Age or Inexperienced Driver Excess applies to any sections of the Policy Coverage

#### **NEW VEHICLE ENDORSEMENT**

On page 13 in the "New vehicle replacement - applicable to comprehensive cover only" section, the New vehicle replacement benefit is included for tankers, refrigerated tankers, vacuum or sweeping applications, garbage trucks or compactors, concrete agitators, pumping trucks or trailers, plant and equipment not otherwise eligible for this benefit, but only up to 12 months from first registration. All other conditions applying as per the New vehicle replacement clause.



The words "We also pay the registration for the period registered but not exceeding twelve (12) months, stamp duty and dealer charges on the new vehicle but any refund of registration fees or stamp duty applicable in respect to the old vehicle must be refunded to us." is replaced with "We also pay the registration and Compulsory Third Party insurance fees for the period the original vehicle was registered and insured for CTP respectively, but not exceeding twelve (12) months, stamp duty and dealer charges including dealer delivery on the new vehicle but any refund of registration fees, stamp duty or CTP premium applicable in respect to the old vehicle must be refunded to us." The words "Where you choose to insure the replacement vehicle with us and we accept the risk, we will charge you a pro-rata premium from the date of acceptance to the expiry date of the policy." is deleted.

#### **REGISTERED AND UNREGISTERED MOBILE PLANT (TOOL OF TRADE)**

The indemnity provided by the Third Party Liability Section of this Policy is extended to include any Vehicle:

- a. whether registered or unregistered whilst being used as a Tool of Trade;
- b. which has been issued with a special or temporary permit to drive on public roads in circumstances that would otherwise require registration under any motor registration legislation in any State or Territory of Australia.

In respect of the non-dangerous goods legal responsibility cover of this policy, the sum insured is reduced from \$32.5 million to the limit of liability shown on the policy schedule for Tool of Trade for any accident where you are legally responsible to pay for claims in respect of property damage resulting from an accident arising out of the use of your vehicle while it is digging, excavating, boring or drilling. However, the cover will not be reduced if your vehicle is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the accident and is not being used at the time of the accident for the unique purpose for which the vehicle was designed.

#### **UNSPECIFIED VEHICLE ON LOAN / HIRE ENDORSEMENT**

For any vehicle loaned, hired or borrowed by you, we will cover you for amounts you are legally responsible to pay because an accident in the period of insurance caused:

- loss of or damage to the vehicle
  - loss of use of the vehicle
  - you to have to pay an excess to a hiring company
  - loss of or damage to another persons property or their death or bodily injury (up to \$32.5 Million reducing to the limit of liability shown on the policy schedule for Tool of Trade for property damage arising out of the use of your vehicle while it is digging, excavating, boring or drilling).
  - The most we will pay under this endorsement for loss of or damage in respect of the loaned, hired or borrowed vehicle is \$750,000 any one accident.
- We will not pay for your legal responsibility for damages or death or bodily injury caused by the vehicle loaned, hired or borrowed by you if the vehicle is unregistered at the time of the accident.  
The excess for any claim paid under this endorsement is the excess payable for your vehicle.

#### **PREMIUM ADJUSTMENT ENDORSEMENT – CLAIMS EXPERIENCE DISCOUNT (CED)**

If your policy remains current for the period of insurance shown on the schedule and is renewed for another 12 months after that we may provide you with premium refund calculated as follows:

1. The premium refund calculation will be made at the end of the Final Adjustment Period shown on your schedule.



2. The premium refund amount will be equal to 50% of ((65% of the Final Premium) minus Incurred Claims). However, we will not refund more than 10% of your Final Premium.

Definitions:

For the purposes of this endorsement:

- 'Final Premium' means the total amount of premium you have paid for the period of insurance, including any premium adjustments for additional or deleted vehicles and any other endorsements, but not including any government or statutory charges.
- 'Incurred Claims' means claims paid in respect of the period of insurance plus any money held for outstanding claims as at the date of the premium refund calculation.

Calculated 5 months after renewal based on Echelon claims data/report

#### **AMPHIBIOUS AND OTHER MULTI-USE VEHICLES**

Exclusion 9 on page 6 of the wording and additional Exclusion 18 on page 18 of the wording has no application to amphibious vehicles whilst they are operating on solid ground as a motor vehicle. The below exclusion to apply to amphibious & multi use vehicles:

Loss of or damage to your amphibious vehicle or liability, resulting from your amphibious vehicle failing to cross any waterway, floodway, watercourse or any area affected by tidal change and where the depth of such water exceeds 0.6 metres.

This policy has no application whilst these amphibious vehicles are operating in water as a marine vessel.

#### **AUTHORITIES COSTS**

The Fire brigade and/or emergency services charges – applicable to all types of cover clause on Page 14 is deleted and replaced with the following:

In addition to and not limited by the sum insured the Insurer will pay costs levied by the police force or any fire brigade or other party following an insured loss under this Policy involving the Insured Vehicle and requiring or resulting in:

- a) the attendance of members of a police force at the loss site;
- b) the attendance of members of any official fire brigade or authority for the purpose of fire extinguishment or other loss related purposes;
- c) traffic management control measures being taken to direct and/or control traffic;

#### **CLAIMS PREPARATION COSTS**

In addition to and not limited by the sum insured but subject to the Sub-Limit of Liability stated in the Schedule, the Insurer will pay the costs reasonably incurred by the Insured in producing and certifying any details required in terms of any Condition relating to loss, destruction, damage or claims procedure.

#### **FIRST AID**

This policy is extended to include cover up to the amount shown in the schedule for costs to replace or restock any first aid kits or first aid equipment in the insured vehicle that are damaged or used as a result of an accident covered under this policy.

#### **MOVEMENT OF OTHER VEHICLES**

The indemnity in Section 2: Third Party Liability and legal costs is extended to protect the insured in respect of a vehicle not owned by you where loss or damage arises from the movement by the authorised driver of any vehicle, which was parked in a position that prevents or impedes the loading,





unloading or legitimate passage of your vehicle, to enable the loading, unloading or legitimate passage of your vehicle.

**FIRST AID COSTS**

This policy is extended to include cover (to the extent permitted by law) for the reasonable expenses incurred by you for first aid to others who suffered bodily injury as a result of an accident involving your vehicle.

**PSYCHOLOGICAL COUNSELLING**

This policy is extended to include the reasonable costs, up to the amount specified in the schedule, incurred by your authorised driver to obtain professional counselling as a result of an accident involving your vehicle that gives rise to death or serious bodily injury or for which you are otherwise liable to pay compensation.

**YOUR VEHICLE USED FOR THE PURPOSE OF CONDUCTING DRIVERS LICENSING TEST**

**Significant risks This policy does not cover ... on page 6 and General exclusion 13 on page 18**

Loss of or damage to your vehicle or liability while your vehicle is being used in any experiment or type of test or in preparation for or involved in racing, speed testing, reliability trial, pace making, hill climbing, trial or demonstration other than for resale purposes.

It is noted that the above exclusion does not apply in circumstances where Your vehicle is being used for the purpose of conducting drivers licensing test(s), provided that such test(s) is conducted by a driving examiner empowered by the Department of Transport and Main Roads.

**UNDERWRITING INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:

Copy-of-MARAN-Motor-Schedule-of-Declared-Assets-updated-2021.xls

The Member does not require any changes to existing limits, sub-limits or deductibles

Total Number of Vehicles to be covered for the next period:	440
How many units does Council expect to hire from other parties over the next 12 months?	Approx 200 hired machines over 12 month period
Does Council hire out any of its vehicles to other parties on a "dry hire" basis? I.e. without a Council operator)	No
Does Council use vehicles to transport dangerous goods?	No
Does Council carry goods for Third Parties?	Ni
Do any of Council's vehicles convey passengers for fare or reward?	No
If so, which vehicles?	



Does Council own or operate any vehicles which are not designed to run solely on solid ground or are designed to run on rails?	No
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**COVERAGE PROVIDED BY** Qld Local Govt Mutual

**MEMBER NUMBER** MARAN000233A

**REMARKS** Please refer to your policy document for details of Terms, Conditions and Exclusions.





**RENEWAL INFORMATION**

Members are no doubt aware of the significant impact that the COVID-19 pandemic has had on global supply chains. The automotive industry is one sector of the economy that has experienced significant disruption, manifesting in challenges and delays sourcing new vehicles and replacement parts.

Whilst perhaps not immediately obvious, this does impact the claims costs borne by LGM Assets. A decrease in supply of parts coupled with rising demand for parts (owing to increased used vehicle sales) translates to higher parts prices and as a consequence, an increase in motor vehicle claim costs.

Motor vehicle cover is one class that is particularly sensitive to increased claim costs and this has largely been the driver of increased coverage costs in recent years.

Rates for this class of cover have increased modestly for the 2021/22 period, reflecting general inflation in parts and other input costs of claims.

For the 2021/22 period motor vehicle contributions have taken into account:

- Claims experience;
- The desire to maintain and protect the financial stability enjoyed by LGM Assets Members;
- Equity between Members with contributions consistent with Members' respective exposures and claims experiences; and
- Application of a cap to protect individual members against significant fluctuations;

Thank you for providing a schedule of assets to be covered for the 2021/22 period.

We confirm that terms obtained are based upon this schedule, as at 24 May 2021, and reflect a total number of units to be covered of 440. This is a decrease from last year.

Council's unit cost for the forthcoming period has increased to \$644.42 plus charges (Comprehensive). This equates to a total premium (inclusive of charges) of \$339,971.94.

Council's claims experience has performed better than last year with a total incurred cost of claims of \$39,348.97 which equates to a 16.14% loss ratio for the 2021/22 period. This is reflected in Council's contribution amount for the 2021/22 period.

Council's five year loss ratio is 45.14%.

**CHANGES TO YOUR 2021/22 MOTOR VEHICLE COVER**

A new wording applies for 2021/22. A number of endorsements have also been added to your cover for the 2021/22 period. The changes are summarised in the table below:

<b>Clarification</b>	<b>The amount of any claim may be reduced</b>
	Provides clarification of the way in which an excess may reduce the amount of any claim and the potential for application of more than one excess depending on the particular circumstances of the claim.
<b>Clarification</b>	<b>Cooling Off Period</b>



	Clarifies the operation of the Cooling Off Period.
<b>Update</b>	<b>Complaints</b>
	Updates the complaint handling information and provides details for AFCA.
<b>Clarification</b>	<b>Basis of Settlement</b>
	Clarifies the operation of the Basis of Settlement and circumstances in which contribution to repair costs may be sought. Establishes requirement for contact prior to proceeding with repairs where contribution may be sought.
<b>Clarification</b>	<b>Legal Costs</b>
	Clarifies the extent of legal costs cover available and the need to speak to the coverage provider prior to incurring those costs.
<b>Clarification</b>	<b>Breach of General Policy Conditions – Applicable to All Types of Cover</b>
	Provides clarification with respect to the timing for notification of any breach of general policy conditions (as soon as possible vs. immediately in previous wording).
<b>Clarification</b>	<b>Choice of Repairer</b>
	Clarifies the circumstances in which your choice of repairer/repairer's estimate may not be accepted.
<b>Clarification</b>	<b>Uninsured Motorist's Benefit</b>
	Clarifies the circumstances in which this benefit will not operate.
<b>Clarification</b>	<b>Sanctions Limitation and Exclusion Clause</b>
	Clarifies the operation of the sanctions exclusion. No cover will be provided where doing so would expose the coverage provider to trade or economic sanctions of any country.
<b>Burden of Proof</b>	<b>Additional Exclusions Applying to All Sections of This Policy – Exclusion 12</b>
	Removes onus on member of proving lack of awareness of driver intoxication etc.
<b>Burden of Proof</b>	<b>Additional Exclusions Applying to All Sections of This Policy – Exclusion 14</b>



	Removes onus on member of proving loss not caused by carriage of a load or number of passengers beyond which the vehicle was designed to carry.
<b>Clarification</b>	<b>Assistance and Co-operation</b>
	Clarifies the level and nature of assistance and co-operation that may be required in the event of a claim.
<b>Clarification</b>	<b>Care and Maintenance</b>
	Clarifies the obligation to take reasonable care to prevent damage, injury or loss and provides examples of circumstances that may be considered a failure to take reasonable care.
<b>Clarification</b>	<b>Changes to Your Circumstances</b>
	Clarifies your obligations to provide advice of changes in your circumstances and details the implications of doing and failing to do so.
<b>Clarification</b>	<b>Claims</b>
	Provides clarification of the steps to be taken, obligations and requirements in the event of a claim as well as the circumstances that may affect a claim.
<b>Clarification</b>	<b>Cancelling Your Policy</b>
	Provides clarification with respect to the mechanism for cancellation by either the Member or coverage provider.
<b>sssCoverage Enhancement</b>	<b>Authorities Costs Endorsement</b>
	<p>Inclusion of cover for costs associated with the attendance the police force or any fire brigade or other party following an insured loss under this Policy involving the Insured Vehicle and requiring or resulting in:</p> <ul style="list-style-type: none"> <li>a) the attendance of members of a police force at the loss site;</li> <li>b) the attendance of members of any official fire brigade or authority for the purpose of fire extinguishment or other loss related purposes;</li> <li>c) traffic management control measures being taken to direct and/or control traffic;</li> </ul> <p><b>Sub-limit: \$50,000 per Event</b></p>
<b>Coverage Enhancement</b>	<b>Reward for Return</b>
	Limit increased to \$10,000 per event.



<b>Coverage Reduction</b>	<b>Reward for Return</b>
	Cover is limited to 20% of the sum insured/market value of the vehicle, whichever is the lesser. Ensures that the reward paid appropriately reflects the value of the vehicle returned.
<b>Coverage Enhancement</b>	<b>First Aid</b>
	Cover is extended to include cover up to the amount shown in the schedule for costs to replace or restock any first aid kits or first aid equipment in the insured vehicle that are damaged or used as a result of an accident covered under this policy.
<b>Coverage Enhancement</b>	<b>Driver Repatriation – Application to Passengers</b>
	The cost of repatriating your driver following theft or accident – applicable to comprehensive cover only” is extended to include the costs of repatriating passengers.
<b>Coverage Enhancement</b>	<b>Hospitalisation – Family Attendance Benefit</b>
	The Hospital – Family Attendance Benefit is extended to include circumstances where a passenger travelling in a covered vehicle sustained injury requiring hospitalisation.
<b>Coverage Enhancement</b>	<b>Movement of Other Vehicles</b>
	The indemnity in Section 2: Third Party Liability and legal costs is extended to protect the insured in respect of a vehicle not owned by you where loss or damage arises from the movement by the authorised driver of any vehicle, which was parked in a position that prevents or impedes the loading, unloading or legitimate passage of your vehicle, to enable the loading, unloading or legitimate passage of your vehicle.
<b>Coverage Enhancement</b>	<b>First Aid Costs</b>
	Cover is extended to include cover (to the extent permitted by law) for the reasonable expenses incurred by you for first aid to others who suffered bodily injury as a result of an accident involving your vehicle.
<b>Coverage Enhancement</b>	<b>First Aid</b>
	Cover is extended to include the costs to replace or restock any first aid kits or first aid equipment in the insured vehicle that are damaged or used as a result of an accident covered under this policy.  <b>Sublimit: \$5,000</b>
<b>Coverage Enhancement</b>	<b>Psychological Counselling</b>
	Cover is extended to include the reasonable costs, up to the amount specified in the schedule, incurred by your authorised driver to obtain professional counselling as a result of an accident involving your



	<p>vehicle that gives rise to death or serious bodily injury or for which you are otherwise liable to pay compensation.</p> <p><b>Sublimit: \$10,000</b></p>
<b>Clarification</b>	<p><b>Expediting Expenses</b></p>
	<p>Clarifies the operation and application of the sub-limit for expediting expenses. The lesser of \$5,000 or 50% of the cost of repairs.</p>
<b>Clarification</b>	<p><b>Your Vehicle Used for the Purpose of Conducting Driving Licence Tests</b></p>
	<p>Provides clarification that the exclusion relating to vehicles being used for any kind of test or experiment does not apply where Your vehicle is being used for the purpose of conducting drivers licensing test(s), provided that such test(s) is conducted by a driving examiner empowered by the Department of Transport and Main Roads.</p>



## ENGINEERING

OUR REF: 000455

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>INSURED</b>	Maranoa Regional Council including subsidiary or controlled companies now or previously existing or hereafter formed or acquired. Including Mortgagees, Lessors and other interested parties for their respective rights and interests.
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164 ITC 100.00%
<b>BUSINESS</b>	Principally but not limited to Local Government authorities (including water authorities and any and all other related entities) including property owners and occupiers and all other activities incidental thereto.
<b>SITUATION/S</b>	Queensland and elsewhere in Australia where the Insured's property may be located either permanently or temporarily or where the Insured carries on business.
<b>JURISDICTIONAL SCOPE</b>	Australia
<b>GOVERNING LAW OF CONTRACT</b>	Australian
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).
<b>INTEREST INSURED</b>	(a) Breakdown of the Insured Equipment (any equipment that is owned, leased, operated or controlled by the Insured in the Business) occurring at the Situation during the Period of Insurance whilst such Insured Equipment is at work or at rest or being dismantled for the purposes of cleaning, inspection, overhaul, repair or removal to another position or in the course of these operations themselves or during subsequent re-erection within the Situation; and (b) Direct loss or damage to other Insured Property occurring at the Situation during the Period of Insurance which results from a Breakdown insured by this Policy.
<b>LIMITS OF LIABILITY</b>	<b>Section A – Property Damage</b>  A1 – Equipment Breakdown \$10,000,000 any one Breakdown A2 – Electronic Equipment (Fire & Other Perils) Not Insured





A3 – Electronic Equipment (Portable Items during Transit and Temporary Removal)	Not Insured
Expediting Expenses	Included in A1 above
Temporary Hire Costs	50% of normal repair or replacement cost or \$25,000, whichever is the lesser
Hazardous Substances	\$100,000
Additional Equipment Upgrades & Green Costs	Max \$50,000

### Section B – Optional Coverages

#### B1 – Deterioration of specified property

- Food, Food Products & Non-Alcoholic Beverages under Refrigeration	\$20,000
- Alcoholic Beverages under Refrigeration	Not Insured
- Other Specified Property	Not Insured

#### B2 – Interruption Insurance (Gross Profit)

- Gross Profit	Not Insured
- Payroll Dual Basis	Not Insured
- Additional Increase in Cost of Working	Not Insured

#### B3 – Interruption Insurance (Gross Rentals)

- Loss of Gross Rentals	Not Insured
- Additional Increase in Cost of Working	Not Insured

#### B4 – Interruption Insurance (Strata Building)

- Loss of Gross Rentals	Not Insured
- Additional Increase in Cost of Working	Not Insured

#### B5 – Interruption Insurance (Gross Revenue)

- Loss of Gross Revenue	Not Insured
- Additional Increase in Cost of Working	Not Insured

#### B6 – Interruption Insurance (Additional Expenses)

- Additional Expenses Only	\$150,000
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Service Interruption As per Policy but limited to \$50,000 if equipment is located more than 1,000 metres from the Situation

Denial of Access	2 weeks
Service Interruption – Cloud Services only	\$50,000
Unspecified Suppliers and/or Customers Premises	\$50,000
Contractual Fines and Penalties	\$10,000
Public Relations Fees	\$50,000

#### Section A and B

Electronic Data Restoration	\$500,000
Newly Acquired Situation	\$250,000
Demolition and Increased Cost of Construction	\$250,000
Professional Fees	\$50,000
Ammonia Contamination	\$100,000
Errors and Omissions	\$100,000

#### SPECIAL NOTE:

##### Amount of Policy Not Reduced by Loss

The insurance under each section and/or item of this Policy and the indemnity period shall be automatically reinstated in the event of any loss.



**DEDUCTIBLE/EXCESSES**

The following excesses apply each and every claim:-

**A1 – Equipment Breakdown**

Centrifugal Chillers	\$5,000
Reciprocating Chillers	\$2,500
All Other Equipment	\$1,000

**B1 – Deterioration of Specified Property**

Food, Food Products, and Non-Alcoholic Beverages under refrigeration 10% of loss, minimum \$500

**B6 – Interruption Insurance (Additional Expenses)**

Additional Expenses Only 24 hours

**POLICY WORDING AND CONDITIONS**

Vero Equipment Breakdown Policy Wording V10523 25/05/21 A

**UNDERWRITING INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:

LGM-Assets-Property-Protection-Schedule-of-Declared-Assets\_Final1.xlsx

ISR Section 1 TAV: \$199,971,327

**INSURER**

Qld Local Govt Mutual

**PROPORTION**

100.000%

**POLICY NUMBER**

MARAN000233A

**REMARKS**

Please refer to your policy document for details of Terms, Conditions and Exclusions.



## RENEWAL INFORMATION

Thank you for providing a schedule of assets to be covered for the 2021/22 period.

Council's LGM Assets Engineering cover provides protection in respect of breakdown of equipment owned, leased or controlled by the Member (and declared for cover), subject always to the terms and conditions of the coverage wording.

We confirm that terms obtained are based upon Council's LGM Assets Property Protection Schedule of Declared Assets as at 24 May 2021, with a total asset value of \$199,971,327.

There has been no change to rates for this class of cover for 2021/22.

A new wording applies for the 2021/22 period. There are no material changes to the cover provided. The changes are set out below and relate primarily to simplifying and clarifying the operation of the wording.

Change	Implication
Co-insurance explained.	Provides greater clarity with respect to the coverages to which co-insurance applies and the implications of co-insurance on claims.
In use or connected ready for use	Provides clarity by highlighting that this phrase is an important term within the coverage and has a particular meaning in certain circumstances.
Where Prior Consent is Required From Us	Highlights requirement of certain covers to obtain prior consent prior to doing certain things such as incurring costs.  Provides clarification that consent must be obtained and will not be unreasonably withheld and implications not obtaining consent.
Payment of reasonable and necessary costs and expenses	Provides clarity with respect to what constitutes a reasonable and necessary amount.
Coverage Agreement	Provides greater clarity with respect to the application of conditions and exclusions to the indemnity provided.
Deductible	Provides clarification as to the application of the deductible. The limit of liability is inclusive of the deductible. Compensation payable will be reduced by the amount of the deductible.
Limit of Liability	Provides clarification as to the application of the limit of liability and the impact of the deductible.



Coverage A1 – Equipment Breakdown - Basis of Settlement	Provides clarification with respect to the basis of settlement and extent of liability, particularly with respect to costs to replace with similar property.
Optional Coverage A3 – Additional Exclusions – Theft or Attempted Theft	Provides clarification as to the application of the exclusion. Intention is to apply to situations where there has been a failure to take reasonable precautions for the safety and security of the item and provides an example of what that may constitute.
Optional Coverage B1 – Deterioration of Specified Property – Costs and Expenses to Avert Loss or Damage	Provides option for costs to be incurred with consent of the coverage provider.  Provides clarification of basis on which reasonable expenses may be incurred as an alternative to costs being incurred with the consent of the coverage provider.
Optional Coverage B1 – Deterioration of Specified Property – Failure of Public Electricity Supply	Provides clarification of the circumstances in which a failure of the public electricity supply can result in a claim.
Optional Coverage B1 – Deterioration of Specified Property	Provides clarification of the steps to be taken to mitigate loss following a covered event and the implications of not taking such reasonable measures.
Optional Coverage B1 – Deterioration of Specified Property	Provides clarification of the extent of liability in the event the damaged property is not replaced.
Optional Coverage B1 – Deterioration of Specified Property – Additional Benefits (c)	Provides clarification of the circumstances in which costs of cleaning and disinfection reasonably and necessarily incurred will be paid.
Optional Coverage B2 – Interruption Insurance – Loss of Gross Profit, Payroll and Additional Increase in Cost of Working	Provides clarification with respect to how claims for interruption caused by something other than a Breakdown will be treated – reduced proportionately to reflect other causes.
Optional Coverage B2 – Interruption Insurance – Loss of Gross Profit, Payroll and Additional Increase in Cost of Working – Basis of Insurance	Provides clarification as to the basis on which the cover operates.
Optional Coverage B2 – Interruption Insurance – Loss of Gross Profit, Payroll and Additional Increase in Cost of Working – Adjustments	Insertion of word reasonably. Provides clarification that adjustments will be made to Rate of Gross Profit, Annual Turnover, Standard Turnover and Rate of Payroll to the extent reasonably necessary.  Provides clarification that information may be reasonably requested/provided to establish what adjustments may need to be made and confirms



	consultation will occur in relation to any adjustments to be made.
Optional Coverage B2 – Interruption Insurance – Loss of Gross Profit, Payroll and Additional Increase in Cost of Working – Resumption of Business	Provides clarification with respect to the requirement to resume business following a Breakdown and the implications of failing to do so.
Optional Coverage B3 – Interruption Insurance – Loss of Gross Rentals and Additional Increase in Cost of Working	Provides clarification with respect to how claims for interruption caused by something other than a Breakdown will be treated – reduced proportionately to reflect other causes.
Optional Coverage B3 – Interruption Insurance – Loss of Gross Rentals and Additional Increase in Cost of Working – Basis of Insurance	Provides clarification as to the basis on which the cover operates.
Optional Coverage B3 – Interruption Insurance – Loss of Gross Rentals and Additional Increase in Cost of Working – Adjustments	<p>Insertion of word reasonably. Provides clarification that adjustments will be made to Annual Gross Rentals and Standard Gross Rentals to the extent reasonably necessary.</p> <p>Provides clarification that information may be reasonably requested/provided to establish what adjustments may need to be made and confirms consultation will occur in relation to any adjustments to be made.</p>
Optional Coverage B3 – Interruption Insurance – Loss of Gross Rentals, Payroll and Additional Increase in Cost of Working – Resumption of Business	Provides clarification with respect to the requirement to resume business following a Breakdown and the implications of failing to do so.
Optional Coverage B4 – Interruption Insurance Loss of Gross Rentals and Additional Increase in Cost of Working (Strata Building)	Provides clarification with respect to how claims for interruption caused by something other than a Breakdown will be treated – reduced proportionately to reflect other causes.
Optional Coverage B4 – Interruption Insurance Loss of Gross Rentals and Additional Increase in Cost of Working (Strata Building) – Basis of Insurance	Provides clarification as to the basis on which the cover operates.
Optional Coverage B4 – Interruption Insurance Loss of Gross Rentals and Additional Increase in Cost of Working (Strata Building) – Resumption of Business	Provides clarification with respect to the requirement to resume business following a Breakdown and the implications of failing to do so.
Optional Coverage B5 – Interruption Insurance Loss of Gross Revenue and Additional Increase in Cost of Working	Provides clarification with respect to how claims for interruption caused by something other than a Breakdown will be treated – reduced proportionately to reflect other causes.





Optional Coverage B5 – Interruption Insurance Loss of Gross Revenue and Additional Increase in Cost of Working – Basis of Insurance	Provides clarification as to the basis on which the cover operates.
Optional Coverage B5 – Interruption Insurance – Loss of Gross Revenue and Additional Increase in Cost of Working – Adjustments	<p>Insertion of word reasonably. Provides clarification that adjustments will be made to Annual Gross Rentals and Standard Gross Rentals to the extent reasonably necessary.</p> <p>Provides clarification that information may be reasonably requested/provided to establish what adjustments may need to be made and confirms consultation will occur in relation to any adjustments to be made.</p>
Optional Coverage B5 – Interruption Insurance – Loss of Gross Revenue and Additional Increase in Cost of Working – Resumption of Business	Provides clarification with respect to the requirement to resume business following a Breakdown and the implications of failing to do so.
Optional Coverage B5 – Additional Expenses Only Cover	Provides clarification with respect to how claims for interruption caused by something other than a Breakdown will be treated – reduced proportionately to reflect other causes.
Section C – Other Coverages and Limits – Section A Only – Additional Equipment Upgrades and Green Costs	<p>Provides clarification by confirming that cover extends to additional reasonable costs incurred with prior consent</p> <p>Provides clarification that this additional will not apply where the coverage provider has been prejudiced by the member’s failure to undertake repair or replacement within a reasonable time.</p>
Section C – Other Coverages and Limits – Section B Only – Contractual Fines and Penalties	<p>Provides clarification that cover is in respect of contractual fines or penalties for breach of contract.</p> <p>Provides clarification that there is no liability in respect of fines or penalties which cannot be covered by law.</p>
Section C – Other Coverages and Limits – Section A and B – Demolition and Increased Cost of Construction	Provides clarification as to practical application of costs that the coverage provider will not be liable to pay by inserting the words or as soon as practical thereafter after the words at the time of the breakdown
Section C – Other Coverages and Limits – Section A and B – Professional Fees	Provides clarification with respect to requirement to seek prior consent prior to incurring costs
Section C – Other Coverages and Limits – Section A and B – Increase in Cost	Provides clarification that the exclusion will not apply to increased costs necessarily incurred to





	replace or repair damaged equipment containing a hazardous substance as part of its function.
Section E – Definitions and Special Provisions Applicable to All Sections of This Policy – Chiller	Provides clarification with respect to what constitutes a Chiller and extends the nature of the substances that can be cooled to include glycol and similar (inclusive definition)
Special Provisions Applicable to All Sections of This Policy	Clarifies that there are parts of the policy that do not require a Breakdown in order to provide indemnity, gives examples of the policy sections to which this clause applies and clarifies the implications of this.
Section F – Conditions – Important Conditions Applying to this Policy – Additional Insured	Provides clarification of and takes a practical approach to an insured’s notification requirements on becoming aware of an act or omission that is contrary to the terms and conditions of the policy. Now only requires information as soon as reasonably possible vs. immediately on becoming aware of.
Section F – Conditions – Important Conditions Applying to this Policy – Cancellation	Provides clarification of the circumstances and means by which the insured and insurer can cancel the policy and the implications of cancellation on the return of any premium for the unexpired period.
Section F – Conditions – Important Conditions Applying to this Policy – Changes	Provides clarification of the process for making changes under the policy.
Section F – Conditions – Important Conditions Applying to this Policy – Claims Notification and Your Duties in the Event of a Claim	<p>Provides clarification and takes a practical approach with respect to the timing of notification of claims following an event (as soon as reasonably possible vs. immediately under previous wording).</p> <p>Provides clarification with respect to the requirement to take measures to salvage or protect property from further loss by including a test of reasonableness.</p> <p>Provides clarification with respect to the assistance required to be provided in the event of a claim by inserting a test of reasonableness</p>
Section F – Conditions – Important Conditions Applying to this Policy – Examination of Books and Records	Provides clarification of the circumstances in which books and records may be examined and inserts a test of reasonableness
Section F – Conditions – Important Conditions Applying to this Policy – Inspection	Provides clarification of the circumstances in which Equipment may be inspected, imposes a test of reasonableness and confirms inspection will occur at a mutually agreed time.



Section F – Conditions – Important Conditions Applying to this Policy – Other Insurance and Agreements	Provides clarification as to the reasons why other insurance or agreements are required to be notified in the event of a claim.
Section F – Conditions – Important Conditions Applying to this Policy – Your Responsibilities Relating to Equipment	Provides clarification with respect to the requirements to keep and maintain Equipment in sound condition and the implications of failing to do so.
Section F – Conditions – Important Conditions Applying to this Policy – Salvage	Provides clarification with respect to ownership of salvaged property or parts.
Section F – Conditions – Important Conditions Applying to this Policy – Subrogation	<p>Provides clarification with respect to preservation of the coverage provider's rights of recovery.</p> <p>Provides clarification with respect to the coverage provider's rights of subrogation and the implication of them exercising rights of subrogation.</p>
Section F – Conditions – Important Conditions Applying to this Policy – Transfer of Interest	<p>Confirms consent to transfer interest won't be unreasonably withheld.</p> <p>Provides clarification that where death occurs, the requirement to give notice of death within 60 days is extended to a reasonable period post mortem if it is not possible to notify within 60 days.</p>



## MARINE HULL COMMERCIAL

OUR REF: 000547

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>INSURED</b>	Maranoa Regional Council as per Schedule of Vessel(s) including subsidiary or controlled companies now or previously existing or hereafter formed or acquired.		
<b>ABN AND ITC DETAILS</b>	ABN	99 324 089 164	ITC 100.00%
<b>INTERESTED PARTIES</b>	As per Schedule of Vessel(s) for their respective rights and interests		
<b>NAVIGATIONAL LIMITS</b>	Warranted QLD and northern NSW inland and coastal waters, up to 50 nautical miles offshore, but always within the licence limits stipulated by any government or other regulatory authority.		
<b>HOME PORT</b>	As per Schedule of Vessel(s)		
<b>GOVERNING LAW OF CONTRACT</b>	Australian		
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD). To: 30 June 2022 at 4 PM Local Time (QLD).		
<b>INTEREST INSURED</b>	As per Schedule of Vessel(s) (includes Hull, Machinery, Materials, Gear and Equipment and all connected thereto designed for the use and safety of the vessel).		
	<b>Insured Amounts as per Schedule of Vessel(s)</b>		
	<b>Insured Basis</b> as per Schedule of Vessel(s)		
	Agreed Value		\$187,544
	<b>Total Insured Amount:</b>		<b>\$187,544</b>
<b>OPTIONAL EXTENSIONS</b>	<b>1 Collision and Protection &amp; Indemnity</b>		
	Covered up to the P&I Limit of Liability as shown on the Schedule of Vessel(s), if no Limit is listed, no coverage applies.		
	The Protection & Indemnity Limit is applicable to each separate accident or occurrence or series of accidents arising out of the same event (costs inclusive), each vessel.		
	<b>Sublimits</b>		
	1.1 Pollution Liability any one event		\$1,000,000
	Clean-up costs any one event		\$100,000



1.2 Passenger Liability Licensed Passenger Capacity	Full Limit As per Vessel(s) manufacturers capacity and no more than 10 passengers
1.3 Swimming & Snorkelling	Not Insured
2. Additional Perils	Not Insured
3. Disbursements / Increased Value	Not Insured
4. Loss of Earnings and/or Hire	Not Insured

**DEDUCTIBLES**

**The H&M Deductible** to apply as shown on the Schedule of Vessel(s) each and every Property Damage claim or series of claims arising out of any one occurrence excluding Total / Constructive Total Loss

**The Collision and Protection and Indemnity (P&I)** deductible as shown on the Schedule of Vessel(s) each claim or series of claims arising out of any one occurrence.  
In respect of Optional Extension(s) 1, 1.1, 1.2 and 1.3 where purchased, each separate accident or occurrence or series of accidents arising out of the same event (costs inclusive), each vessel.

**Cyclone / Named windstorm**

The listed Cyclone/Named windstorm deductible as shown on the Schedule of Vessel(s) will instead apply in respect of all claims arising out of the Cyclone/Named windstorm.

**WARRANTIES**

At all times during the currency of this policy the vessel(s) is skippered, manned, operated, in survey and/or licensed in accordance with the laws, regulations and by-laws of the government and/or regulatory authorities of the appropriate State and/or Territory and/or Commonwealth office or department.

Where the vessel(s) is registered with a Classification Society – it is Warranted that the vessel(s) is classed and class is maintained at all times during the currency of this policy.

Navigational Limits - to read as above.

**POLICY WORDING AND CONDITIONS**

Hull Protect – Port Risks including Limited Navigation Wording NT1270 (05.04.2021) and further amended as follows:

**Section – Definitions that apply to this Policy**

Marine Installation:

Means Floating pontoons, connecting access walkways and/or ramps (from pontoon to point of connection with the walkway and/or ramps with the land) including fixtures, fittings and associated piles at the Home Port stated in the Schedule.

Vessel(s) amended to include Marine Installation(s).



### **Section – The Cover**

1.f is added: Clause 5.2.1 – is amended to read “accidents in loading discharging or shifting stores, gear, equipment, machinery, cargo or fuel.”

1.g is added: Clause 6 (Earthquake and Volcanic Eruption Exclusion) - is deleted.

1.h is added: Clause 11.4 – is deleted

### **Brokers Cancellation Clause**

Notwithstanding anything in this policy or conditions to the contrary this policy may be cancelled at the Brokers request due to non-payment of premium by the Assured to the Broker. The Insurers agree to allow a pro-rata daily return of premium for the unexpired term of the policy providing there has not been any casualty involving the vessel subject to the request for cancellation in respect of which the Insurers have admitted liability prior to such request in which case no refund or premium will be made.

### **Clause 17 Added New and/or Acquired Vessel(s)**

Should the Assured acquire an insurable interest in any additional Vessel(s) through purchase, charter (bareboat only) or otherwise, then such insurance, up to a total Insured Amount of AUD 100,000 will be afforded by this Policy with the attachment at time of the Assured acquiring the insurable interest. Further, such Vessel(s) to be valued at the amount fixed between the Assured and the Vendor(s) prior to the Vessel(s) is subject to the Assured notifying Underwriters of any such additional Vessel(s), when required by the Assured to be at risk hereunder, within 14 days of acquiring the insurable interest, and to pay such additional premium at the agreed Policy rate for similar Vessel(s) or as may be mutually agreed between the Assured and the Underwriters, or no cover is to attach for such additional Vessel(s).

### **When the Interest Insured is a Marine Installation:**

#### **Section – The Cover**

All references to “Vessel” are amended to read “Marine Installation or as described in the Schedule of Vessel(s).”

#### **Section – Additional Benefits**

The following Clauses are deleted:

1. Diving Equipment, Fishing Gear, catering and Aqua Sport Equipment
2. Leased Equipment (excluding Diving Equipment, Fishing Gear and Aqua Sport Equipment)
3. Parts and Equipment Ashore
4. Personal and Crew Property
5. Tender Towage
6. Theft of Vessel’s own trailer
7. Transit of Vessel whilst on its own Trailer
9. Fixed Fire Appliance Discharge Clause
12. Chartered Vessel Clause
14. Pilot, Tug and Line Boat Non-Liability Clause
15. Radio and Aids to Navigation Clause
16. Transportation and Laying –Up Clause

### **Additional Clause in respect of all Marine Installations:**





**Cyclone and Named Windstorm Deductible Clause**  
Notwithstanding any provision to the contrary in this insurance, any claim for loss of or damage to the Vessel(s) arising from any insured peril hereunder, including total or constructive total loss of the Vessel(s), which is caused by climatic or atmospheric conditions, storm surge or sea surge resulting from a Cyclone or Named Windstorm, shall be subject to the Cyclone or Cyclone / Named windstorm deductible amount shown in the schedule. The provisions of clauses 13.2 and 13.3 of the Institute Time Clauses - Hulls Port Risks including Limited Navigation shall apply to recoveries and interest comprised in recoveries against any claim which is subject of this clause.

#### **Other Conditions of Cover**

##### **In respect of Amphibious Vessels / ATVs (where applicable):**

This policy only covers the Amphibious Vessel / ATV while it is in or on water, including being propelled in or on water by the propeller or other means. Cover hereunder is suspended from the time the Vessel / ATV commences motion through use of its on-land motor vehicle engine and wheels coming into contact with the land, sea-bed or river-bed, until such time as the Vessel is back in or on water / uses its propeller or other means for propulsion, and the wheels are no longer in contact with the land, sea-bed or river-bed.

All other Conditions of cover remain unaltered.

#### **Optional Extensions of Cover where applicable:**

**1. Collision and Protection and Indemnity:** Insured (as follows) but only where P&I Limit of Liability is shown on the Schedule of Vessel(s)

Institute Time Clauses Hulls – Port Risks including Limited Navigation Cl.312 20/7/87 – amended as follows:

- Clauses 8 & 10 – limits of liability as set out above
- Clause 13 (Deductible) – as set out above

#### **Section – Exclusions to this Policy: the following Exclusion is added**

##### Communicable Disease Exclusion

1. Notwithstanding any provision to the contrary within this insurance agreement, this insurance agreement excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:





- 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

#### ENDORSEMENTS

##### Use and/or Operation Endorsement

Vessels are used for Council and/or SES activities.

All other Policy conditions remain unaltered

#### UNDERWRITING INFORMATION

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following information has been obtained from the Member:

Copy-of-Maranoa-Marine-Hull-Vessel-Listing-2021.xlsx

The Member does not require any changes to existing limits, sub-limits or deductibles

The Member does not require any changes to navigational limits

The Member does not carry passengers in marine craft

The Member does not conduct dredging or drilling operations

The Member does not conduct swimming and/or snorkelling activities

#### INSURER

Qld Local Govt Mutual

#### PROPORTION

100.000%

#### POLICY NUMBER

MARAN000233A

#### REMARKS

Please refer to your policy document for details of Terms, Conditions and Exclusions.

#### RENEWAL INFORMATION

Thank you for providing the renewal information contained within the declaration questionnaire, which has facilitated us to negotiate new terms for the marine facility for the 2021-22 period.

The Marine Hull Commercial policy is designed to provide property damage cover for Council owned and managed marine assets operated within warranted waters, as defined on the policy schedule. P&I (collision & indemnity) exposures are also covered where the policy option has been chosen.

Our advice to members last year was that this class of cover is seeing upward pressure on pricing and restrictions on coverage options industry-wide. This is still being pushed by major catastrophe events and large claim losses. Whilst the collaborative approach of the LGM Assets marine facility has helped to hold back some of these impacts, these pressures have now translated to, in some cases, increases on contribution amounts and/or excess changes. These changes have been implemented



based on exposures and minimum excess requirements of the coverage provider for the upcoming period.

This year, the marine coverage facility which has been developed for LGM Assets members, has been reviewed and updated to tailor and clarify cover for members.

### New Policy Wording

A new policy wording will apply for the next coverage period, being Marine Protect Commercial Hull – Port Risks including Limited Navigation NT1270 (05/04/2021). Provided below is a summary of the changes.

### Improvements

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>The Cover – Refit / Alteration Clause</b>	This Additional Benefit was limited to 50% of the Insured Amount or \$500,000, whichever the lesser	The sub-limit has been removed. We are now providing this Additional Benefit up to the full Insured Amount of the Vessel	This is an improvement in cover where Councils are undertaking refit/alteration works. However, most Councils do not undertake this activity.
<b>The Cover – Chartered Vessel Clause</b>	Not previously provided	Where the Vessel is chartered by a subsidiary company of the Assured We will waive rights of subrogation against the charterer.	This is an improvement in cover where Councils have a subsidiary that charters their vessels. However, most Councils do not undertake this activity.
<b>Additional Benefits – Errors &amp; Omissions Clause</b>	Not previously provided	The Assured will not be prejudiced i) by an unintentional or inadvertent error, omission or other defined circumstance; ii) when the insurance has multiple Assureds by an inadvertent error, omission by another named Assured; iii) when the insurance has multiple Assureds by an inadvertent error, omission by another named Assured through circumstances beyond the Assured's control, provided notice is given to Us, the act is not unlawful, and subject to any additional terms, conditions or premium.	This is an improvement in cover protecting Councils' interests.
<b>Additional Benefits –</b>	Not previously Provided	Insurance not to be prejudiced by a contract	This is an improvement in cover



<b>Pilot, Tug and Line Boat Non-Liability Clause</b>		limiting or exempting the liability of pilots, tugs or tow boats	where Councils use pilot, tug and line boats. However, most Councils do not undertake this activity.
<b>Additional Benefits – Radio and Aids to Navigation Clause</b>	Not previously Provided	Radio and navigation equipment on the Vessel is Covered when the Insured owns or assumes responsibility for it.	This is a broadening of the cover protecting Council's interests.
<b>Additional Benefits – Transportation and Laying-Up Clause</b>	Not previously Provided	The Vessel is Covered while laid up or afloat or ashore, including land transit.	This is a minor improvement to the cover.
<b>Optional Extensions – Passenger Liability Clause – Evacuation Costs</b>	Not previously Provided	When this Optional Extension is purchased, this clause provides sub-limited Cover for costs of having to evacuate Passengers to land if the Vessel has suffered a prolonged disablement at sea.	This is cover held by Councils, however not relevant to their operations.
<b>Exclusions to this Policy – Institute Cyber Attack Extension Clause 10/11/03</b>	Excludes loss or liability arising from malicious computer / systems / software attacks, but the clause is silent on non-malicious failure of computer systems	Institute Cyber Attack Exclusion Clause 10/11/03 is replaced by Marine Cyber Endorsement 11/11/2019. Still excludes loss or liability arising from malicious computer / systems / software attacks, but the Policy is not prejudiced by non-malicious failure of computer systems.	This is an improvement and is a standardised cyber attack exclusion clause was developed by the London market to remove potential exclusions that were not intended in marine coverage.
<b>Exclusions to this Policy – Specialist Operations / Dredging / Vibration</b>	Excludes loss, damage or liability arising from the specified Specialist Operations, which means that damage to the insured Vessel from Specialist Operations is not Covered, nor is third party liability arising from those operations.	Clause is renamed 10. Specialist Operations / Dredging / Vibration / Spoil, and now only excludes third party liability arising from the Specialist Operations / dredging activities, so material damage to the insured Vessel from such operations is now Covered. Clause amended to include the exclusion for spoil / pile driving, previously a separate exclusion.	This is an improvement to cover where Councils are undertaking specialist operations. However most Councils don't undertake this activity.



<b>Exclusions to this Policy – Spoil Exclusion</b>	Excludes loss, damage or liability arising from the specified activities relating to underwater excavation, depositing of spoil, pile driving etc, which means that damage to the insured Vessel from those operations is not Covered, nor is third party liability arising from those operations.	Clause is incorporated into exclusion Specialist Operations / Dredging / Vibration / Spoil, and now only excludes third party liability arising from the specified operations, so material damage to the insured Vessel from such operations is now Covered.	This is an improvement to cover where Councils are undertaking specialist operations. However most Councils don't undertake this activity.
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#### Clarity of cover

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>The Cover – Important Note: Warranties</b>	States the Warranties regarding the Vessel being skippered, manned, operated etc in accordance with the regulations, and where the Vessel is registered with a Classification Society, that Class is to be maintained	Reference is added to a) the warranty regarding Navigational Limits, which was previously only specified in Your Policy Schedule; and b) any other Warranties which may be specified in Your Policy Schedule.	The Navigational Limits clause was previously included in the policy schedule, now specifically referred to in the policy wording.
<b>Additional Benefits – Institute Clauses</b>	Cl.5.2.4 was amended to include negligence of repairers and charterers	Clause extended further to include maintenance staff employed by the Assured	This clause was previously included in the policy schedule, now moved to the policy wording.
<b>The Cover – Interest Insured</b>	Silent on marina property	New paragraph clarifying that when the interest insured is a marina, references to "Vessel" in the wording are amended to correctly reflect the interest insured	The facility already has an upgraded definition to apply for pontoon assets, accordingly the marina property definition will have no bearing.
<b>Additional Benefits – Preamble to Additional Benefits</b>	Reference to limits / sub-limits which apply to specified Additional Benefits	Clause amended to correctly reflect where limits / sub-limits apply	Clarification only.
<b>Optional Extensions – Passenger Liability Clause</b>	Includes Cover for the provision of food and drink	Clarifies that Cover will indemnify up to the Limit of Liability should You be legally liable for sums payable to Passengers as a result of the provision of food and drink.	Clarification only.



<b>Optional Extensions – Swimming &amp; Snorkelling Extension</b>	Activities	Swimming and snorkelling activities clarified.	Change is irrelevant as Council does not hold this cover.
<b>Optional Extensions – Loss of Earnings and/or Hire Extension</b>	Clause 6 of LPO454	New paragraph added to amend Clause 6 of LPO454 to reflect the deductible conditions in respect of heavy weather	Change is irrelevant as Council does not hold this cover.
<b>How Much We Will Pay – Cover – Vessel(s)</b>	We will pay replacement value for items of equipment and accessories less than 10 years old	Clarifies that up to 10 years old means from the date of manufacture, and the benefit does not apply to items aged 10 or more years from the date of manufacture.	Clarification only.
<b>Conditions of This Policy – Premium Payment &amp; Cancellation</b>	No conditions specified regarding premium funding in the event of Policy cancellation	Where the premium has been funded, at the lending institution's request in the event of non-payment of funds, the lending institution may request the Policy is cancelled and We will return the premium to the lending institution.	Clarification to the intent of the coverage terms. This change has been effected to ensure compliance with current legislation.
<b>Conditions of This Policy – Under-Insurance / Average</b>	If You do not insure the Vessel for its full value You may be under-insured, and We may pay You less in the event of a claim, as outlined in the Policy and the relevant Acts	Clause renamed Under-Insurance. If You do not insure the Vessel for its full value You may be under-insured, and We may pay You less in the event of a claim, as outlined in the Policy and the relevant Acts. Clarifies that the amount We pay will be limited to the Insured Amount in the Schedule or as outlined in the How Much We Will Pay section of the Policy.	Clarification only.
<b>Claims Responsibilities – Preamble</b>	States that Claims procedures are important and should be read in conjunction with Notice of Claims and Tenders in the Institute Clauses, and failure to follow them may jeopardise a claim, or result in claim payment being reduced	Final sentence regarding the consequences of failing to follow Claims procedures has been deleted, and may be deemed to be an unfair contract term.	Clarification to the intent of the coverage terms. This change has been effected to ensure compliance with current legislation.





<b>Claims Responsibilities</b> – <b>What We May Do</b>	5. You must not hinder Our rights to recover / obtain contribution from another person, and must give Us all such information and cooperation as We may require	Amended to add the word “reasonably” before “require”	Clarification to the intent of the coverage terms. This change has been effected to ensure compliance with current legislation.
<b>Institute Clauses</b>	Some Clauses refer to English Law	These references have been replaced to read Australian Law	Clarification of the intent of the cover.
<b>Institute Clauses</b>	Some Exclusion Clauses refer to “the Union of Soviet Socialist Republics”	These references have been replaced to read “the Russian Federation”.	Amendment to references.
<b>Institute Clauses</b>	These three Institute Clauses are referred to in the Additional Benefits – Refit / Alteration Clause, but not set out in full in the Institute Clauses section	These three Institute Clauses are now set out in full in the Institute Clauses Section.	Change effected to allow review of full policy conditions from a reading of the policy schedule and wording without having to refer to separate reference materials.

### Limitations

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>Silica</b>	Not previously excluded	Excludes liability arising from contact with / inhalation of silica in any form.	The exclusion has been added as is standard across this industry for this class.

### Licensed Passenger Capacity

in order to ensure clarity around the risk, NTI have applied a licensed passenger capacity limitation which is set at the manufacturer’s capacity for the particular vessel, but in any case no more than 10 passengers maximum. This limitation applies only for the passenger liability cover provided under the protection and indemnity section of this policy where chosen. If Council requires P&I cover to extend to a vessel with a carrying capacity of more than 10 passengers, please contact us to arrange an extension of the cover.

### Cyclone and Named Windstorm Deductible Clause

An endorsement has been added to your policy schedule to clarify the operation of the cyclone and named windstorm deductible. This new endorsement does not alter the operation of the deductible under your policy.

In relation to Council’s program, this year your contribution rate has increased by 8%. Your excess remains unchanged at \$250.

All other terms and conditions remain as expiring.





## MARINA OPERATORS LIABILITY

OUR REF: 000684

**NOTE:** Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

<b>INSURED</b>	Maranoa Regional Council as per Schedule of Marine Installations including subsidiary or controlled companies now or previously existing or hereafter formed or acquired.
<b>ABN AND ITC DETAILS</b>	ABN 99 324 089 164                      ITC 100.00%
<b>BUSINESS ACTIVITIES</b>	Watercraft Services principally owner and/or operator of a Marine Installation at the premises/location listed in the Schedule of Marine Installations appearing on this Policy Schedule and other services incidental thereto with the following additional services nominated and noted:  III. Landlord (if applicable) IV. Provision of Utilities (if applicable)
<b>TERRITORIAL LIMIT(S)</b>	Anywhere in the Commonwealth of Australia
<b>JURISDICTIONAL SCOPE</b>	Australia
<b>GOVERNING LAW OF CONTRACT</b>	Australian
<b>PERIOD OF INSURANCE</b>	From: 30 June 2021 at 4 PM Local Time (QLD).  To: 30 June 2022 at 4 PM Local Time (QLD).
<b>INTEREST INSURED</b>	All sums which the Insured will become legal liability to pay as compensation for:  a. Personal Injury b. Property Damage  as a result of an occurrence within the Period of Insurance in connection with the Insured's Business Activities
<b>LIMITS OF INDEMNITY</b>	As per the Schedule of Marine Installations any one accident any one occurrence during the Period of Insurance and as stated otherwise in the Policy Schedule

**OPTIONAL EXTENSIONS**

Products Liability Limit	Not Covered
Advertising Liability Limit	Not Covered
Pollution Limit	Up to the Policy Limit
Fines & Penalties	Not Covered
Faulty Workmanship	Not Covered
Warranty/Guarantee	
Obligations	Not Covered

**DEDUCTIBLE/EXCESS**

As per the Schedule of Marine Installations any one loss or series of losses due to or arising out of one Event;

\$25,000 Worker to Worker Excess each occurrence.

**SCHEDULE OF MARINE INSTALLATIONS**

Interested party	Premises /Location	Year Built	Length	Marine Installation Description /Type	Limit of Indemnity	Excess
N/A	Balonne River, Surat Bridge	2008	11m	Surat Pontoon – Floating, metal and fibreglass attached to piers	\$20,000,000	\$7,500

**POLICY WORDING AND CONDITIONS**

NTI Marine Industry Liability Insurance Policy NTI1202(24/04/17) and further amended as follows:

Reference to the word Vessel is replaced with the words Marine Installation

Additional Definition that applies to this Policy:Marine Installation:-

Means Floating pontoons, connecting access walkways and/or ramps (from pontoon to point of connection with the walkway and/or ramps with the land) including fixtures, fittings and associated piles at the Premise/Location stated in the Schedule of Marine Installations.

Limit of Indemnity:

Limit shown in the Policy Schedule is the Policy Limit with:-

Products Liability Limit	Not Covered
Advertising Liability Limit	Not Covered
Pollution Limit	Up to the Policy limit

are included within the Limit of Indemnity (and not in addition to it)

Worker to Worker Excess:

Excess shown in the Schedule of Marine Installations in respect of each occurrence except in respect of claims arising out of or in any way connected with Personal Injury to labour hire personnel or any contractor or subcontractor of the Insured where the deductible shall read \$25,000 in respect of each occurrence.

Excluding non-Watercraft Services Business Activities

Notwithstanding the cover provided this Policy excludes any liability howsoever arising out of any non-Watercraft Services. Cover



provided under this Policy is only in relation to the Marine Installations as defined in the Schedule.

Standard Terms and Conditions:

Insured does not operate under any Standard Terms and Conditions

Premium and Declarations:

Premium is an agreed annual flat premium and is not subject to adjustment.

Optional Extensions:

Fines & Penalties - Not Covered  
 Faulty Workmanship - Not Covered  
 Warranty/Guarantee Obligations - Not Covered

**ENDORSEMENTS**

It is noted and agreed that Section – Exclusions that apply to all sections of the Policy amended as follows;  
 Clause 10 Divers deleted in relation to Marine Installations.  
 Clause 20 Navigation Liability deleted in relation to Marine Installations.

All other Policy Exclusions Terms and Conditions remain unaltered

**UNDERWRITING INFORMATION**

Completed LGM Member Declaration received from Maranoa Regional Council on 16 April 2021 and all known incidents have been reported. The following underwriting information has been obtained from the Member

Marine-Installation-Listing-20212.xlsx

**CLAIMS SUMMARY**

Nil claims have been confirmed by previous and existing underwriter as at 28 April 2020 in the last 5 years only. If you require claims information pre-dating this or any other additional information please let us know.

**INSURER**

Qld Local Govt Mutual

**PROPORTION**

100.000%

**POLICY NUMBER**

TBA

**REMARKS**

Please refer to your policy document for details of Terms, Conditions and Exclusions.

**RENEWAL INFORMATION**

Thank you for providing the renewal information contained within the declaration questionnaire, which has allowed us to arrange renewal terms via the LGM Assets facility. The Marine Liability cover is



designed to provide liability coverage for owners and/or operators of marine installations for claims made against them relating to Personal Injury and Property Damage.

In relation to the market environment, public liability classes are also seeing upward pressure in rates and restrictions on terms of coverage. Complex maritime claims in relation to events such as oil spills and obstruction (such as in the case of the Ever Given earlier this year) have contributed towards impacts on marine insurers and reinsurers. This has happened at the same time as premium income has been reduced by downturn in tourist operations and investment returns. Change in rates has been limited to the extent possible for members, however there have been some increases and new minimum excesses have been applied in some circumstances.

As with the Marine Hull cover, the Marine Liability coverage has also, this year been updated to tailor cover and provide clarity for members.

### New Policy Wording

A new policy wording will apply for the next coverage period, being Marine Industry Liability Insurance Policy – NT1275 (01/12/2020). Provided below is a summary of the changes.

### Improvements

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>Definitions – Marina</b>	No previous definition	New Definition. Means the location specified in the Policy Schedule from which Council conducts the Marina Operator Activities.	See below.
<b>Definitions – Marina Operator Activities</b>	No previous definition	New Definition	This definition along with the newly defined Marina definition allows the incorporation of a number of watercraft services to be automatically included as part of Marina Operator Activities. This change has limited impact on the cover as the watercraft services chosen for cover under the facility were already broad.
<b>Definitions – Marine Installation</b>	No previous definition	New Definition	This clause was previously included in the policy schedule, now moved to the policy wording.

### Clarity

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>Definitions – Watercraft Services</b>	Previous definition alluded to cover	The List of eligible activities has been	There is no effect on cover as the schedule



	being provided for any of the full list of eligible activities, whether or not they were noted on Your Policy Schedule.	extended, however the definition clarifies that each of the activities for which You are Covered must now be specifically noted on Your Policy Schedule.	has been updated to ensure all relevant watercraft services are nominated.
<b>Optional Extensions of Cover To This Policy – 1. Fines and penalties</b>	The previous cover noted either \$1M sub-limit, or the amount shown in Your Policy Schedule.	The cover now clarifies that the sub-limit of Cover for this Optional Extension is as shown in Your Policy Schedule.	Change is irrelevant as Council does not hold this cover.
<b>Optional Extensions of Cover To This Policy – 2. Faulty workmanship</b>	The previous cover noted either \$25,000 sub-limit, or the amount shown in Your Policy Schedule.	The cover now clarifies that the sub-limit of Cover for this Optional Extension is as shown in Your Policy Schedule.	Change is irrelevant as Council does not hold this cover. However, consequential loss is covered as a result of faulty workmanship.
<b>Optional Extensions of Cover To This Policy – 3. Warranty, guarantee obligations</b>	The previous cover noted either \$25,000 sub-limit, or the amount shown in Your Policy Schedule	The cover now clarifies that the sub-limit of Cover for this Optional Extension is as shown in Your Policy Schedule.	Change is irrelevant as Council does not hold this cover.
<b>Exclusions That Apply To All Sections Of The Policy – Marine Cyber Endorsement – LMA5403 11/11/19</b>	A different Cyber exclusion Clause applied.	The new LMA5403 clause now applies, clarifying certain elements of the exclusion and its intent.	There is no tangible change to the cover provided.

### Limitations

Coverage Feature	2020-21 Coverage Program	2021-22 Coverage Program	Effect on Cover
<b>Exclusions That Apply To All Sections Of The Policy – Communicable or Infectious Disease</b>	No previous exclusion applied.	The new Communicable or Infectious Disease exclusion applies. This exclusion removes any Cover that may have applied with respect to: <ul style="list-style-type: none"> <li>• Infection by, or spreading of, any infectious matter or parasite.</li> <li>• caused by a disease listed in the Biosecurity act 2015 (including Covid-19).</li> </ul>	The exclusion has been added as is now standard across this industry due to impacts from the pandemic.



		• Any losses caused by Influenza A.	
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**Hot Work**

An additional benefit added to your policy schedule this year is cover whilst undertaking the activity of hot work/welding/heating which was not covered under your previous year's program.

This year your contribution has remained consistent with the rate calculated when the cover was placed in May 2021.

All other terms and conditions remain as expiring.





## IMPORTANT INFORMATION

### MUTUAL STATUTORY NOTICE

LGM Queensland is a Mutual Risk Product as defined by ASIC that is neither authorised under, nor subject to, the provisions of the Insurance Act 1973.

LGM Queensland is not a product regulated by APRA.

LGM Queensland estimates its future liabilities based upon procedures which are supported by both independent legal and actuarial experts. LGM Queensland also maintains specific financial provisions for late reported claims (IBNR) and future claim developments plus a prudential risk margin. These provisions are amounts in addition to specific claim estimates.

LGM Queensland and JLT Public Sector as the Scheme Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The LGM Queensland Board of Management review the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to Members.

The Queensland Local Government Mutual Trust Deed and Scheme Rules are the primary documents which govern the operation of the Mutual Schemes. Wordings on each Scheme are issued as a guide as to the terms under which a claim will be considered and settled. A copy of the Queensland Local Government Mutual Trust Deed and Scheme Rules are available on the website at <https://lgm.jlta.com.au/>

### DUTY OF DISCLOSURE

Before you enter into an insurance contract, you have a duty of disclosure under the Insurance Contracts Act 1984. You have a duty to tell us anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and on what terms. You have this duty until the insurer agrees to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

If we ask you questions that are relevant to the insurer's decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

Also, we may give you a copy of anything you have previously told us and ask you to tell us if it has changed. If we do this, you must tell us about any change or tell us that there is no change. If you do not tell us about a change to something you have previously told us, you will be taken to have told us that there is no change.

You do not need to tell us anything that:

- reduces the risk insured; or
- is common knowledge; or
- the insurer knows or should know as an insurer;
- or the insurer waives your duty to tell them about.

### If you do not tell us something

If you do not tell us anything you are required to, the insurer may cancel your contract or reduce the amount it will pay you if you make a claim, or both. If your failure to tell us is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

### CHANGE OF RISK OR CIRCUMSTANCES

Please tell us about any changes to your circumstances or business, such as any alteration of risk, location changes, new or changed business activities, as they could affect your insurances.

### AVERAGE CLAUSE – UNDER INSURANCE

Home buildings and contents, fire, business interruption, industrial special risks, and other policies often contain an average clause. This means that you should declare full value which may be replacement, indemnity or market value depending on the type of insurance cover or protection arranged. If you are under insured your claim may be reduced in proportion to the amount under declared.

### UNREPORTED LOSSES

Please let us know whether there are any losses which have occurred that have not been reported to us/the Scheme/insurers, whether you intend making a claim or not.

### HOLD HARMLESS AGREEMENTS, CONTRACTING OUT, REMOVAL OF SUBROGATION RIGHTS

You may prejudice your rights to a claim if, without prior agreement from your insurer or relevant Scheme, you make any agreement that could prevent the insurer or Scheme from recovering the loss from a third party. These "hold harmless" clauses are often found in leases, licences and contracts for maintenance, supply, construction and repair.



#### **PROTECTING THE INTEREST OF OTHER PARTIES**

If you require the interest of another party to be covered by the policy or Scheme, you MUST request this. Most policies and scheme protection will attempt to exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is expressly noted on the policy.

#### **NEW CLAIMS**

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience (or change in the underwriting information) between the date insurers or LGM Queensland quoted their terms and the inception date of the cover. If changes do occur during this period, insurers/LGM Queensland have the right to revise the terms quoted or even withdraw their quotation.

#### **SEVERAL LIABILITY**

Where your cover is provided by more than one insurer/reinsurer it is important to note that each insurer/reinsurer is only responsible to the extent of their individual subscription and there is no obligation for that insurer/reinsurer to make up the shortfall of any other subscribing insurer/reinsurer in a claim or return premium or contribution payment.

#### **CONFIRMATION OF TRANSACTION**

You may contact us by telephone or in writing to confirm any transaction under your insurance policies or LGM Queensland Schemes, such as renewals and endorsements. If necessary, we will obtain the information for you from the insurer or reinsurer.

#### **COOLING OFF PERIOD FOR RETAIL CLIENTS**

If you are a retail client as defined in the Corporations Act 2001 as amended (the 'Act'), you may be entitled to a minimum 14 day cooling-off period during which you may return the insurance policy and receive a refund of the insurance premium paid (less amounts lawfully deducted), subject to the requirements of the Act and the terms and conditions of your policy.

This does not affect any other cancellation rights you may have under your policy.

Please check your policy and schedule upon receipt to be sure you have the cover you require. If the cover does not meet your needs, please contact your JLT Public Sector account executive for advice as to your rights.

#### **REMUNERATION AND OTHER INCOME**

Our principal remuneration for arranging insurance on your behalf is either by way of commission paid by the Insurer and/or a fee including a service fee and an administration fee to be paid by you.

In addition to the above we may receive income from insurers as follows: interest earned on insurance monies passing through our bank accounts; profit commissions or profit shares paid by insurers on specific classes of business; administrative service fees or expense reimbursements for limited specific services we provide to insurers as part of the placing or claims process.

Where we act as managers of a Mutual Scheme or Discretionary Trust, our fee is negotiated according to the services to be provided for that Scheme.

We will disclose any potential conflict of interest not included above which may occur and affect our relationship.

#### **REFUND PREMIUMS OR CONTRIBUTIONS**

In the event of any refund premium or contribution being allowed for the cancellation or adjustment of any insurance policy or scheme protection, JLT Public Sector reserves the right to retain all brokerage, fees and charges.

#### **RECEIVING INFORMATION ABOUT OTHER PRODUCTS AND SERVICES**

JLT may, from time to time, offer you information about products and services which may be of interest to you. Please notify us if you do not wish to receive such additional information.

#### **PRIVACY POLICY**

We value the privacy of your personal information and we are committed to handling your personal information in a responsible way in accordance with the *Privacy Act 1988* (Cth) (the Act) and the Australian Privacy Principles (APPs) as contained within the Act. Our Privacy Policy can be examined by accessing our website or by obtaining a copy from our Privacy Officer on telephone number (02) 8864 7688, email [privacy.australia@marsh.com](mailto:privacy.australia@marsh.com) or post PO Box H176 Australia Square NSW 1215.

#### **FINANCIAL SERVICES GUIDE**

Please refer to JLT Public Sector's FSG [here](#) for information on the services offered by JLT Public Sector. It is designed to assist you in making a decision whether to use any of the services offered

#### **SERVICE DIFFICULTIES**

We would like to know if you are not satisfied with our services. If you have any difficulties please contact your JLT Public Sector adviser or our Complaints Manager. We subscribe to the Australian Financial Complaints Authority (AFCA) (1800 931 678), which is a free consumer service, and the General Insurance Broker's Code of Practice.

**IF THERE IS ANY PART OF THE ABOVE THAT YOU DO NOT UNDERSTAND OR YOU REQUIRE FURTHER EXPLANATION, PLEASE CONTACT US IMMEDIATELY.**



#### **Proprietary Nature of Proposal**

This proposal is prepared for the sole and exclusive use of the party or organisation to which it is addressed. Therefore, this document is considered proprietary to JLT Risk Solutions Pty Ltd, [which is part of the Marsh Group of Companies](#) and may not be made available to anyone other than the addressee or person within the addressee's organisation who is designated to evaluate or implement the proposal. Marsh proposals may be made available to other persons or organisations only with written permission of JLT Risk Solutions Pty Ltd.

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A member of the Marsh & McLennan Companies (MMC) group of companies.

**OFFICER REPORT**

**Meeting:** Ordinary 28 July 2021

**Date:** 17 June 2021

**Item Number:** 13.3

**File Number:** D21/48432

**SUBJECT HEADING:** Tender 21033 - Approved Contractor List for the Provision of Building Certification Services

**Classification:** Open Access

**Officer's Title:** Manager - Planning & Building Development

**Executive Summary:**

This report summarises the evaluation process undertaken for Tender 21033 – *Approved Contractor List for the Provision of Building Certification Services*.

The tender period opened on 27 April 2021 and closed on 24 May 2021. Council received three (3) submissions from the Vendorpanel Marketplace, including one non-conforming tender. A Request for Quote was then sent to all suppliers on the following Local Buy Registers:

- Planning, Surveying, Design & Architecture BUS265 (Type: Pre-Qualified Suppliers, Contract Name/Number: BUS265).
- Engineering & Environmental BUS262 (Type: Pre-Qualified Suppliers, Contract Name/Number: BUS262-0317).

This Request for Quote opened on 28 May 2021 and closed on the 7 June 2021. One (1) additional submission was received, providing a total of four (4) submissions, and resulting in three (3) conforming tenders.

**Officer's Recommendation:**

That:

1. Council approve the formation of *Approved Contractor List for the Provision of Building Certification Services* in accordance with s231 of the *Local Government Regulation 2012*.
2. Pre-qualification (for the businesses listed below) remain current until 31 August 2024.
3. Council authorise the Chief Executive Officer (or delegate) to enter into a *Deed of Agreement* with each selected tenderer for Building Certification Services, formalising the terms and conditions detailed in the draft agreement.

Businesses	Local Content
Brandon & Associates Pty Ltd	<b>2 Star</b>
George Bourne & Associates	<b>0 Star</b>
K Mizen & S Mizen t/a South West Building Certification	<b>0 Star</b>

4.

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

The following three (3) tenderers may gain a benefit from the formation of the Approved Contractor List:

- Brandon & Associates Pty Ltd
- George Bourne & Associates
- K Mizen & S Mizen t/a South West Building Certification

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report.*

Acronym	Description
TEP	Tender Evaluation Panel

**Context:**

***Why is the matter coming before Council?***

The evaluation of Tender 21033 – *Approved Contractor List for the Provision of Building Certification Services* has been completed and is presented for Council's consideration.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Maranoa Regional Council invited suitably qualified suppliers to tender for an Approved Contractor List for the provision of Building Certification Services. It is Council's intention to select a range of contractors to supply Building Certification Services as required.

The term of the register will be approximately three (3) years. Suppliers appointed by way of this Tender 21033 (May 2021) will not need to re-tender until 31 August 2024, subject to continued successful performance measurement outcomes.

The professional services procured under the register may include, but are not limited to:

- Providing technical advice to internal and external stakeholders relating to building works standards, development assessment, certification and compliance requirements.
- Providing mentoring to assist with professional development in building certification.



- Performing building certifying functions on behalf of Council, including building assessments, inspections and certification in conjunction with relevant personnel.
- Performing the duties of a licenced Pool Safety Inspector and local government with respect to pool safety.
- Assisting Council to perform its legal responsibilities with respect to building compliance.
- Conducting building inspections within the Maranoa Region.
- Participating and representing Council in building development meetings involving internal and external customers.

Professional service providers must:

- Have the ability to work remotely via electronic communications with administrative support provided by Council; and
- Be available to attend the Council workplace to perform the required services (Roma is the primary place of work, however attendance may be required at other office locations within the Maranoa Region)

This list is not exhaustive, and Council welcomed the inclusion of additional services that could support Council operations in the Tender Response. It is recognised that not all of Council's requirements may be met from this register. This will be considered on a case-by-case basis, at Council's sole discretion.

The tender period opened on 27 April 2021 and closed on 24 May 2021. The tender was advertised in the Western Star online between 30 April 2021 and 24 May 2021 and on Council's Facebook page. A Request for Quote was then sent to all suppliers on the following Local Buy Registers:

- Planning, Surveying, Design & Architecture BUS265 (Type: Pre-Qualified Suppliers, Contract Name/Number: BUS265.
- Engineering & Environmental BUS262 (Type: Pre-Qualified Suppliers, Contract Name/Number: BUS262-0317.

This Request for Quote opened on 28 May and closed on the 7 June 2021.

47 entities/individuals downloaded the tender documents from LG Tender Box and Vendorpanel. A total of three (3) conforming tenders and one (1) non-conforming tender were received, as indicated in the table below.

Tenderer	Tender Status
AA Energy Consulting Pty Ltd	Non-conforming Tender – promoting their services as building energy assessors.
Brandon & Associates Pty Ltd	Conforming Tender
George Bourne & Associates	Conforming Tender
K Mizen & S Mizen t/a South West Building Certification	Conforming Tender

The conforming tenders were:

- Brandon & Associates Pty Ltd
- George Bourne & Associates
- K Mizen & S Mizen t/a South West Building Certification

The Tender Evaluation Panel (TEP) comprised of the following Council staff members:

- Manager Planning and Building Development
- Manager – Procurement & Plant

The TEP scored the tenders as indicated in the following table.

Overall Tenderer Assessment Scoring					
Tenderer	Tenderer's Business (35 points)	Key Personnel (25 points)	Price (25 points)	Local (15 points)	Total Points
AA Energy Consulting Pty Ltd	Non-conforming Tender				
Brandon & Associates Pty Ltd	30	25	12	6	73
George Bourne & Associates	35	25	19	0	79
K Mizen & S Mizen t/a South West Building Certification	30	25	25	0	80

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

Under the *Local Government Regulation 2012*, Council may form an Approved Contractor List. The proposed List conforms to the Regulation.

**231 Exception for contractor on approved contractor list**

- (1) *This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for services.*

- (2) A local government may enter into the contract without first inviting written quotes or tenders if the contract is made with a person who is on an approved contractor list.
- (3) An **approved contractor list** is a list of persons who the local government considers to be appropriately qualified to provide the services.
- (4) The local government must put together the approved contractor list by—
- (a) publishing an invitation for expressions of interest from suitably qualified persons for at least 21 days on the local government's website; and
- (b) taking all reasonable steps to publish the invitation in another way to notify the public about the making of the approved contractor list; and
- Examples for paragraph (b)—
- publishing an invitation in an industry publication or on the QTENDERS website
- (c) allowing written expressions of interest to be given to the local government while the invitation is published on the website; and
- (d) choosing persons for the approved contractor list on the basis of the sound contracting principles.

**Council Policies or Asset Management Plans:**

*Does Council have a policy, plan or approach ordinarily followed for this type of decision?*

*What are relevant sections of the policy or plan?*

(Quote/insert the relevant section's wording / description within the report)

Not Applicable.

**Input into the Report & Recommendation:**

*Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?* (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

MRC Manager - Procurement & Plant.

**Funding Bodies:**

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.* (Please do not just include names)

Not Applicable.

**This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$) ? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

Expenditure for Building Certification Services procured using the proposed contractor list has been considered in the current year's budget.

**Future Years' Budgets:**

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

It is expected that expenditure for Building Certification Services using suppliers on the proposed register will be considered in future years' budget deliberations.

**Impact on Other Individuals or Interested Parties:**

**Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?** (Interested Parties Analysis - IS9001:2015)

It is expected that all of the tenderers will be interested in, and potentially impacted by Council's decision.

**Risks:**

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Not Applicable.

**Advice to Council:**

**What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?**

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Council is advised to approve the formation of *Approved Contractor List for the Provision of Building Certification Services* in accordance with s231 of the *Local Government Regulation 2012*.

**Recommendation:**

**What is the 'draft decision' based on the advice to Council?**

**Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

**Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

That:

1. Council approve the formation of *Approved Contractor List for the Provision of Building Certification Services* in accordance with s231 of the *Local Government Regulation 2012*.
2. Pre-qualification (for the businesses listed below) remain current until 31 August 2024.
3. Council authorise the Chief Executive Officer (or delegate) to enter into a *Deed of Agreement* with each selected tenderer for Building Certification Services, formalising the terms and conditions detailed in the draft agreement.

Businesses	Local Content
Brandon & Associates Pty Ltd	2 Star

**Maranoa Regional Council**

**Ordinary Meeting - 28 July 2021**

George Bourne & Associates	<b>0 Star</b>
K Mizen & S Mizen t/a South West Building Certification	<b>0 Star</b>

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 5: Managing our operations well

5.1 Continual improvement

**Supporting Documentation:**

Nil

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services