



Australasian Universities Risk & Insurance Management Society

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Minutes of the AURIMS meeting held on 23 August 2001 at Swinburne University, Hawthorn

Present:

Michael Walsh (Deakin)	Alice Di Pasquale (Deakin)
Alan Wilson (Edith Cowan)	Barry Blight (La Trobe)
Denis Crowley (Melbourne)	John Freeman (Monash)
Rudy Starosta (RMIT)	Christine Cummings (Sydney)
Grayden Nelson (Swinburne)	John Wester (Swinburne)
John Tokatlidis (VUT)	

Action

1. Apologies

John Quinn (Monash)

2. Minutes of last meeting

There were no minutes for the previous meeting (Annual Conference, University of New South Wales, May 24 & 25, 2001). The minutes of the meeting of 23 February 2001 were signed by the Chairman as a true and correct record.

Conference papers are available on
<http://www.latrobe.edu.au/insurance/aurimswweb/2001Notes.htm>

3. Matters arising from the minutes

Nil

4. Large claims

- 4.1 Melbourne, student damage, April 01 - Denis Crowley mentioned the \$20,000 - \$30,000 vandalism caused by students who forcibly entered the Vice-Chancellor's offices on the 9th floor of the main administrative building. Punishment of the students

by the university, reimbursement of the University's losses by the students and Police prosecution of the students involved have yet to be determined.

- 4.2 RMIT car rental, USA – Rudy Starosta mentioned an academic rented a car in USA and caused an accident in which a passenger in another vehicle was injured. The insurance provided by the car rental company was insufficient (US\$20,000 any one person, \$40,000 in all), which highlighted the importance of emphasising to staff travelling overseas that:
1. They should buy as much insurance as possible from the car rental company.
 2. If increased third party bodily injury and third party property damage cover is not available, they should rent from a company that does provide such cover.

Although RMIT had adequate cover, the insurance policies of approximately 50% of AURIMS members would not provide cover in these circumstances.

- 4.3 Edith Cowan, water damage – Alan Wilson advised of \$300,000 in water damage to a new \$49million building (which had been handed over two weeks previously) and its contents. Due to inadequate drainage the building did not meet the University's design requirements of one in a one hundred year flood standard, and as a result action against the consultants was highly likely, rather than lodging a claim on the University's insurance policy.

ECU require architects', engineers' and other consultants PI insurance to have a six year run off period.

- 4.4 John Tokatlidis discussed a movement-activated alarm (with remote control) designed to be fixed to the lid of laptops and other valuable items of equipment. The battery operated product (IT Woofa) sells for about \$120 and can be obtained from Grant Gebert, Daytan Projects, Box 36, Brighton, Vic 3186, Phone 03 9593 3949, Fax 03 9593 3669, Daytan@bigpond.com, Web address: www.itwoofa.com. When armed, the alarm operates if the laptop is moved.

As it addressed different security concerns, the IT Woofa had a number of advantages and disadvantages over other physical restraint systems (such as the Kensington lock). Its deterrent effect was likely to be small unless actually turned on.

One university had a laptop stolen when the Kensington lock was pulled out from the side of the case (the plastic case was not strengthened with a metal backing plate). In other cases, universities had laptops stolen when the cable from the Kensington lock to the laptop was cut, which emphasises the importance of using **stainless steel** cable of **at least 6mm diameter** if possible.

4.5 **Theft of data projectors**

Most universities were losing data projectors, and Police in both New South Wales and Victoria considered professional gangs involving teams of people were operating in universities. At approximately \$10,000 each, such thefts have cost some universities

more than \$100,000 this year alone. As a result, La Trobe, Melbourne and other universities were having steel purpose-built boxes manufactured for approximately \$400 each to deter thieves.

5. **Conference 2001**

Most accounts have been received and a provisional profit of \$111.13 was announced for the second Annual Conference held at the University of New South Wales on May 24 & 25, 2001.

This was very pleasing in view of the reduced numbers attending and Bill Dunne had to be congratulated on the outcome.

6. **Conference 2002**

To be held on May 16 & 17, 2002 at Monash University. John Freeman, Conference Convenor said he hoped to include one or two visits to relevant sites at Monash. John would appreciate being advised of any suggested topics, speakers or other comments relevant to the conference.

7. **Age limitations on travel policy**

A La Trobe University academic complained that the age limitation of 80 years in the University's travel insurance policy (for costs to return to Australia due to the death or serious illness/injury of a family member over 80 years of age) was discriminatory. The PVC (Equity & Access) confirmed this.

Barry Blight advised that although insurance companies are permitted to discriminate on the basis of age where they can justify it with statistical evidence, universities were not able to do so. The only options appeared to be to obtain a travel policy with no such age limitations, or the University could assume the risk (ie self insurance).

John Freeman pointed out that most travel policies contain a pre-existing medical condition exclusion, and that insured persons must be fit to travel.

8. **Future meetings**

Meetings have traditionally been held in February, May, August and November, but in order to provide greater opportunities for non-Victorian members to attend meetings, the November meeting has been brought forward to coincide with Unimutual's Annual Conference (which would commence on the afternoon of Wednesday 24 October 2001). As a result, the next AURIMS meeting will be held at Unimutual's conference venue, the Park Royal Hotel, (Phoneix Room), 2807 Gold Coast Highway, Surfers Paradise commencing at 10am on 24 October and concluding at 12.30pm.

After discussion, it was agreed that each year one meeting would be held in

Melbourne, one in Sydney, another would comprise the Annual Conference and the fourth meeting could precede the Unimutual conference (the latter to provide an opportunity to those attending the Unimutual function to also attend an AURIMS meeting).

The possibility of combining future AURIMS meetings with the Annual ARIMA Conference was discussed. Membership of ARIMA, plus the cost of attending the conference, would be well in excess of \$1000, (plus airfares and accommodation where applicable) and currently only about six AURIMS members attend the ARIMA conference. From an economic viewpoint, it appeared more members would attend the AURIMS meeting if aligned with the Unimutual conference than with the ARIMA conference.

9. **Tool pool (hire of equipment)**

The University of Tasmania raised a question about the hire of tools and other equipment to staff, students and others. Barry Blight said La Trobe's Union operated a Tool Pool whereby tools were hired to staff and students under a written Hire Agreement. Safety and operating instructions were also provided to hirers. The Union accepted the risk of theft, loss and damage, and had decided against offering insurance (or loss/damage waiver) to hirers.

No other universities present had such a facility.

10. **Student Unions and affiliated bodies**

Christine Cummings asked if other universities insured student unions and affiliated bodies under the main university insurance program. Answers varied, although generally it appeared where the student unions and affiliated bodies were incorporated, they were obliged to arrange their own insurance. The risk in adopting this approach was that if an under-insured or uninsured liability claim was made against the student body, any resulting adverse publicity would be particularly damaging for the university. For this reason one university had included such bodies in the university's insurance program on an excess basis, but still required them to effect their own underlying insurance cover.

11. **Inhouse garage and servicing of private motor vehicles**

The University of Sydney intends to provide inhouse servicing for vehicles of staff and students. Christine Cummings queried whether any other university does this –no members present did so. Standard liability policies would require alteration to provide cover for goods in the insured's care, custody and control, and also the driving risk.

12. **Marine transit insurance – definition of property insured**

Sydney were transporting a \$500,000 item to be displayed in a museum exhibition and the overseas marine transit insurers did not regard that equipment as fitting the insured

property definition of “tertiary education equipment”. The description of property insured in the policy indicated a potential uninsured exposure for universities having that wording on their Marine Transit policy.

13 **Student PA schemes**

14 **Student travel insurance (postgraduate and undergraduate)**

Although the students at Edith Cowan University arrange their own insurance, Alan Wilson queried whether it would be preferable for all universities to make a combined approach to the market with a unified scheme. However, as both loss experience and benefits varied significantly between universities, having individual universities agree on premium allocations and benefits was highly unlikely.

15. **Contract works insurance**

One member asked about the advantages and disadvantages associated with effecting a principal controlled contract works insurance for major projects. Some universities chose to adopt this approach as they were relieved of the necessity of checking contractors’ insurances, but others were concerned about any inadequacies in a university-arranged cover perceived by contractors, contractors’ objections to high deductibles and the lack of any real cost savings.

On the other hand, those universities that made the contractors responsible for insurance needed to check the adequacy of the contractors’ policy wordings and also ensure the premium was paid.

16. **Website**

Barry Blight advised that the AURIMS website (www.latrobe.edu.au/insurance/aurimsweb/Index.htm) was operating effectively.

17. **AURIMS listserv**

Some members had found the AURIMS listserv very effective in obtaining information from the broad membership.

18 **Member details on AURIMS homepage**

19 **Hard market**

20 **HHH**

21 **Constitution**

In view of the shortage of time it was not possible to discuss these items, and they (with late agenda items) have been deferred until the next meeting.

As a result of the time limitation, it was agreed that future meetings would commence at 10am and conclude at 3pm (including a light lunch in the meeting venue) instead of 10am – 12.30pm as at present (although this would not apply to the October meeting).

Other matters

Where the Chairman was also taking the minutes, it was agreed in future another member would be allocated the task of taking minutes.

Next meeting

24 October, 2001, 10am – 12.30pm, Phoenix Room. Park Royal Hotel, 2807 Gold Coast Highway, Surfers Paradise. (Phone 07 5592 9900)

Signed as a true and correct record:

..... Chairman

..... Date