



Annual Report
2023-2024



CivicRisk
Mutual

Welcome to CivicRisk Mutual's 2023/24 Annual Report

We are thrilled to present the CivicRisk Mutual 2023/24 Annual Report, a testament to our collective efforts and dedication over the past year. We've navigated challenges with resilience and emerged stronger, achieving remarkable success across various fronts.

Our Commitment to Commercial Value and Protection

We've upheld our promise to deliver exceptional commercial value, ensuring our members benefit from superior protection. Our strategic initiatives have shaped the markets, offering robust solutions that safeguard against uncertainties.

Fostering Strong Relationships

Our focus on nurturing relationships has been pivotal. By fostering a collaborative environment, we've strengthened ties with our members and partners, creating a network that thrives on mutual support and shared goals.

Industry Ecosystem and Mutuality

We've actively contributed to enhancing the industry ecosystem, embracing the principles of mutuality. Our efforts have not only benefited our members but also set a precedent for integrity and collective progress within the industry.

Financial Highlights

The financial results for the year have been impressive, reflecting our prudent management and innovative approaches. We've achieved a strong financial performance, outperforming budget expectations and reinforcing our capital adequacy to navigate through market volatilities

In conclusion, the CivicRisk Mutual's 2023/24 Annual Report is a narrative of our unwavering commitment to excellence, the strength of our relationships, and our strategic foresight in financial stewardship. It's a story of how we've collectively risen to meet our goals, and we are proud to share this journey with you. Let's continue to set new benchmarks and reach greater heights together.



CivicRisk Mutual

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Our Vision

We aspire to be recognised as the preferred provider of risk protection solutions and support for local government councils.

Our purpose revolves around supporting our member councils in effectively managing risks, leading to improved protection and services for their communities. We hold a steadfast commitment to showcasing integrity throughout service delivery and strategic planning by:

- being open, transparent and accountable.
- enabling the true spirit of mutuality to shine.
- fostering opportunities for collaboration and information sharing.
- listening to every member's views.
- supporting member involvement and decision making.
- striving to be better every day.
- delivering value and going the extra mile.
- always looking for a better way.



Our Year in Review

Delivering Commercial Value



- ▶ **\$18.5 million** surplus achieved by minimal claims, robust investment returns, and protection cost savings.
- ▶ **\$128.5 million** collectively saved by members since Mutual inception.
- ▶ Member surplus returned members an average of **36%** of contributions.
- ▶ Vehicles insured for **\$882** per vehicle.
- ▶ Property insured for **\$2,283 per \$1 million** of assets.
- ▶ Administration and training costs less than **5%** of member contributions.

Shaping Markets with Superior Protection



- ▶ Choice of protection and risk support providers enabled for members by Mutual's presence in local government market.
- ▶ Captive innovation drives financial savings with **\$10.5 million** saved in protection costs for members over the first **3 years**.
- ▶ Mutual seeks opportunities to incorporate self-insured layers to decrease expenses and provide comprehensive cover.

Strengthening Collaborative Member Relationships



- ▶ **77%** of members attended the annual member forum to decide the strategic focus on how to grow sustainably.
- ▶ **90%** of members attended risk management committee meetings to share lessons learned.
- ▶ Mutual enhances dedicated member support and risk management resources to support members collaboration and uplift their risk maturity in council.

Amplifying Industry Ecosystem Value



- ▶ Mutual plays pivotal role in BCCM development of a Discretionary Mutual Code.
- ▶ Mutual aids development of National and International standards and guides.

Demonstrating True Mutuality Mindset



- ▶ **\$321,000** allocated to 21-member risk mitigation initiatives funding grants for **70%** of membership.
- ▶ **32** training sessions for **676** council staff for **100%** of membership.

Chairman's Report

I am pleased to present the 2023/24 annual report of CivicRisk Mutual Limited. After the floods of 2022 we have experienced two years of stable weather patterns which has allowed us to focus on risk mitigation and rebuilding our capital position. These significant weather events, in 2022, led to a spike in claims and increased protection costs, putting a strain on our reserves. In response, our members adopted financial strategies aimed at enhancing resilience while ensuring protection remains affordable.

Civic Risk Mutual has benefitted from substantial growth during this period and this year we followed up last year's record financial performance with an even better result.

I'm delighted to announce that our consistent efforts have culminated in the most financially favourable year in our Mutual's history. In 2023/24, we achieved a surplus of \$18.5 million made possible by minimal claims, robust investment returns, and cost savings in protection.

Such an exemplary financial performance reduces the contribution demands for the next year and provides a buffer against the challenges of a volatile protection market – a trend affecting many sectors, characterised by diminishing coverage and notable cost escalations. However, thanks to our solid footing, the Mutual is well-equipped to traverse this uncertain landscape, amplifying our capacity and reducing market dependency, ensuring our members continue to benefit from high-quality, affordable coverage.

This financial strength has enabled us to assist our members by investing funds into risk management and mitigation strategies that reduce claims and creates safer communities. Within our framework of value-added risk management services, we allocate \$520,000, each year, towards member-specific risk initiatives through funding grants. We also provide \$300,000 in professional development and training for our member risk staff. This ensures our members are constantly focussing on risk mitigation and reducing risk while their performance is

monitored through our Continuous Risk Improvement Program (CRIP). Our self-insured Crime program has been a resounding success resulting in a savings of at least \$1 million per year. The funds we have set aside over the past 6 years have us well placed to assist Councils should they have any breaches. Our self-insured Motor Vehicle program continues to provide comprehensive cover for our members' fleet at costs substantially below market rates. Furthermore, we have maintained flood cover for all members in our Property program and continue to provide protection against the detrimental effects of cyber-attacks and malicious viruses in our Cyber program.

Through our prudent protection and financial strategies, it is estimated that CivicRisk Mutual has saved its members a collective total of \$128.5 million since its inception. Furthermore, we have returned \$28.3 million to members in the past 10 years.

At 30 June 2024 the Mutual has an accumulated surplus of almost \$100 million, with over \$1.2 million of risk management support being provided to our members in the 2023/24 fiscal year.

With our members being the Mutual's first priority, we have enhanced the team through the appointment of a dedicated risk coordinator who will work closely with our member services coordinator to deliver bespoke programs, risk support and training initiatives to our Members. This year we've ensured ongoing facilitation of this role, with on site bespoke training sessions, regular CEO face to face meetings and offering personalised welcome sessions for our new member representatives.

CivicRisk Mutual has now completed the third stage of our CRIP, which evaluates the risk management systems and programs of each member. These reviews celebrate instances of risk management excellence while identifying opportunities for further support and assistance to help uplift members' risk maturity. To aid members in implementing recommendations, the Mutual provides \$20,000 annually to each member for risk initiatives, motor vehicle driver programs, and risk management software and reporting tools. Furthermore, we offer financial assistance to risk staff pursuing advanced tertiary education in risk management.

This year, CivicRisk Mutual provided risk services, protection, claims management support, training and professional development to 26 Councils. We welcomed Hobsons Bay City Council in Victoria to our Mutual on 1st July 2024. We look forward to supporting Hobsons Bay in their risk journey and are very pleased to welcome them as our newest member of CivicRisk Mutual.

Willis Towers Watson (WTW), our broker, and Claims Management Australasia (CMA), our claims manager, continue to consistently deliver outstanding service to the Mutual and our members. Their contributions are instrumental in fostering and maintaining robust relationships with our underwriters. Their collaborative efforts enable the Mutual to benefit from a diverse range of products and supportive services.

Finity Consulting continue to offer us excellent actuarial advice, while our legal panel provide sound legal advice and defend claims diligently on behalf of our members.

The success of our Mutual is primarily attributable to the dedication and efforts of our members. In this regard, I congratulate all members of the Board, Members Assembly, and the Risk Management, Finance and Underwriting Committees for their outstanding commitment during the year.

I also extend my personal gratitude to our executive team: Andrew Armitstead, Lisa Williams, Nicole Mahon, Rebecca Pyne, Bilkish Dossani, Nikky Goodall and Nicole Messina. The Mutual's accomplishments stand as testament to their unwavering dedication and hard work. Their consistent delivery of exceptional service to the Mutual and our members has been instrumental in our achievements.

Well done to all!



Councillor Ross Fowler OAM
Penrith City Council
Board Chair

 **\$18.5m**
Surplus this financial year

 **\$128.5m**
Saved collectively by our members since inception

 **\$28.3m**
Cash returned to members over the last 10 years



Message from the CEO

Reflecting on the past year, our members undoubtedly have ample reason to take pride in our resilience and achievement, especially given the backdrop of significant claims and rising protection costs we've confronted over the past couple of years.

In the previous years, we faced the repercussions of the most severe floods in our Mutual's history, all while navigating challenging market conditions. These floods have wreaked havoc, displaced numerous families and stretched our support services to their very limits. CivicRisk Mutual rose to the occasion, proudly extending a substantial \$25 million in flood recovery funds to aid in the restoration of community infrastructure.

In 2023/24 we experienced several further flood events in the Nepean Hawkesbury Catchment Area and the restoration works withstood the rising waters with little or no significant damage. This was due to the resilience of the repairs and newly constructed walkways were simply cleaned up and restored to their original state within several days.

At CivicRisk Mutual we encourage our members to rebuild better and build resilience into their recovery, so we reduce future losses and can quickly restore services to their community.

The financial accomplishments of this year are a testament to that spirit. We're proud to report an impressive surplus of \$18.5 million, attributable largely to reduced claim costs, settled weather patterns, solid investment returns, and savings in protection costs.

As CivicRisk Mutual continues to expand, we're making substantial investments in enhancing our member services. This includes organising onsite training sessions and hybrid meetings tailored to accommodate our diverse member base. Given our responsibility for managing a diverse range of services and facilities, we have persisted with our best practice support groups. These groups focus on understanding specialised risks and brainstorming collaborative solutions.

Our service team which includes WTW brokers and the CMA claims team, has consistently delivered outstanding

service. Our brokers have worked tirelessly to secure quality protection in a challenging market, while the claims team has offered invaluable support, assisting members in claim management and recovery from flood damages. This year, Shane Redman of WTW and Ian Barker of CMA have joined me in visiting many of our members, offering onsite bespoke training sessions. These sessions are designed to educate operational staff and bolster the risk management teams within each Council.

At this year's Member Forum, we awarded David Minty our actuary, by including him on our honour Roll after 25 years of service to CivicRisk Mutual. He has been a great support, sharing his profound knowledge and unwavering commitment, which greatly contributed to the growth of our Mutual. Well done, David!

Congratulations to all of our Mutual representatives. Your noteworthy participation in the Members Assembly, Committees, and best practice support groups has significantly influenced the Mutual's achievements.

Further, I'd like to express my gratitude to our Board. Under the leadership of our Chair, Ross Fowler, they've been a guiding force throughout the year. The collaboration of all, has been instrumental in shaping our journey.

Lastly, a heartfelt thanks to my team at CivicRisk Mutual. Their unwavering dedication and steadfast commitment to ensuring a member-centric approach and top-notch support have set a remarkable standard.



Andrew Armitstead
Chief Executive Officer
CivicRisk Mutual Limited





Our Story

Westpool created to provide Public Liability & Professional Indemnity (PL/PI) protection for Western Sydney Councils: Blacktown City Council, Blue Mountains City Council, Fairfield City Council, Hawkesbury City Council, Liverpool City Council and Penrith City Council

1988

Joint Pools obtain protection through London market

1996

Civil Liability Act introduced

Westpool and Metro Pool sign joint agreement sharing services and management

City of Parramatta Council joins Westpool

2003

Motor Vehicle protection established

Global Financial Crisis caused downturn in investments

2008

Wollongong City Council joins Westpool

Statutory Liability cover included in CD&O

2010

1990

Metro Pool created to provide PL/PI protection for Sydney Metropolitan Councils : Auburn City Council, City of Botany Bay Council, City of Holroyd Council, Hunters Hill Council, Lane Cove Council, Marrickville Council and Rockdale Council

1999

HIH Insurance collapses
Joint Pools buy 'ground up' cover for 3-year deal

2005

United Independent Pools (UIP) established to provide Corporate Travel, Councillors, Directors & Officers (CDO), Personal Accident and Property protection

2009

Continuous Risk Improvement Program (CRIP) established with funding grants for Risk Enhance projects

2011

Shellharbour City Council joins Westpool



Our Members

Our Mutual is strong because of the constant hard work and dedication of our leaders and representatives. Their great leadership, experience, and advice have been key to our success and growth. We appreciate all the time and knowledge they give to our organisation.

Board of Directors



Ross Fowler OAM

Penrith City Council Chair

Councillor, Penrith City Council. Chartered Accountant. Registered Company Auditor and Tax Agent. Bachelor of Commerce. Member Australian Institute of Company Directors (MAICD).

Experience and expertise: Chairman, CivicRisk Mutual Limited. Chairman, CivicRisk West (from 1994 to 2020). Over 45 years' experience in business management and 30 years' involvement in local government. Director CivicRisk Insurance Limited (Guernsey).



Kerry Robinson OAM

Blacktown City Council Deputy Chair

Chief Executive Officer, Blacktown City Council. Justice of the Peace. Bachelor of Town Planning (Hons) UNSW. Ass Dip Valuation (Syd. CAE). Fellow Australian Institute of Company Directors.

Deputy Chairman, CivicRisk Mutual Limited. Deputy Chairman, Blacktown Venue Management Limited. Director, CivicRisk Insurance Limited (Guernsey). Director, Link Wentworth Housing Limited. External Expert Advisory Committee Member, University of New South Wales Cities Institute.



Gordon Bradbery AM

Wollongong City Council Director

Lord Mayor, Wollongong City Council (12 years). Graduate Australian Institute of Company Directors. Post Graduate studies University of Sydney Divinity BD. Undergraduate studies University of Wollongong BA Psychology & Sociology. Awarded AM (2018). Awarded OAM (1996). Justice of the Peace.

Former Minister of the Uniting Church in Australia. Board member of Westpool, CivicRisk Mutual and United Independent Pools. Former Minister & Administrator of Wollongong Mission of the Uniting Church in Australia.

Chair of Lifeline South Coast. Board member of Unanderra Care Services. Former Youth Worker Uniting Church in Australia.

We deeply value and appreciate the time, effort, and expertise they continuously invest in our organisation.



John Faker

**Burwood Council
Director**

Mayor, Burwood Council. Bachelor of Commerce Management. Graduate Australian Institute of Company Directors.

President, Southern Sydney Regional Organisation of Councils. NSW Regional Manager, Suncorp/GIO. Senior Relationship Manager, Westpac. Business Development Manager, Westpac. Financial Advisor, Westpac. Senior Loans Securities Officer, Westpac.



Bruce Ferguson

**Parramatta Council
Director**

Risk and Audit Manager, Finance and Information, City of Parramatta Council.

Member CivicRisk Risk Mutual Risk Management Committee. Director of Barnwell Park Golf Club. Former National President & Director of the Association of Risk and Insurance Managers of Australasia. Former Director of International Federation of Risk and Insurance Management Associations. Former Director and Company Secretary of Strata Associates and Strata Choice. 40 years' experience working in the risk and insurance industry as a practitioner. Alternate Director, CivicRisk Insurance Limited (Guernsey).



Stephen Golding

**Lane Cove Council
Director**

Manager Governance & Risk, Lane Cove Council. Master Business Administration. Advanced Diploma of Integrated Risk Management. Advanced Diploma of Management. Advanced Diploma of Recordkeeping. Advanced Diploma of WHS. Diploma of Project Management. Diploma Information Technology. Diploma of Government (Workplace Inspections).

Over 30 years' experience in local government. Manager Risk & Corporate Safety, Lane Cove Council. Executive Manager Corporate & Community Services, Inverell Shire Council. Chief Information Officer, Inverell Shire Council. Manager Information Services, Inverell Shire Council. Network Control Team Leader, Penrith City Council.

Board of Directors cont.



Flora Lepouras

Shellharbour City Council Director

Chief Executive Manager Corporate Governance & Risk/Public Officer, Shellharbour City Council Bachelor of Commerce. LG Professionals Australia NSW Member. LG Professionals Australia Governance Network Executive. International Association for Public Participation. Graduate Australian Institute of Company Directors. Resolution Institute – Mediation. Australian Local Government Women’s Association – National Secretary and NSW Branch member. Public Officer – Leadership Illawarra.

Manager Executive Offices / Executive Assistant to the General Manager, Shellharbour City Council. Manager Corporate Support / Public Officer, Shellharbour City Council. Manager Governance & Administration, Shellharbour City Council. Administration Officer, Shellharbour City Council. Junior Administrative Officer, Shellharbour City Council.



Vaughan Macdonald

Richmond Valley Council Director

General Manager, Richmond Valley Council. Graduate Diploma in Sports Management. Bachelor of Economics.

Over 25 years’ experience in local and state government. Chief Operating Officer, Richmond Valley Council. Manager Development, Office of Local Government. Project Manager, Independent Local Government Review Panel. Leader Development, Department of Premier & Cabinet. A/ Manager Finance Management Branch, Department of Premier & Cabinet. Team Leader Special Projects, Department of Premier & Cabinet. Principal Policy Officer, Department of Local Government.



Richard Sheridan

Bayside Council Director

Director City Performance, Bayside Council. Graduate Australian Institute of Company Directors. FCPA. Master of Management (MBA Program). Bachelor of Business – Accounting. Associate Diploma – Accounting.

Experience and expertise: Director of Finance and Governance, Waverley Council. Chief Financial Officer, City of Parramatta Council. Director of Finance and Governance, Cumberland City Council. Chief Financial Officer, Cumberland Council. Chief Financial Officer, Auburn Council. Chief Financial Officer and Company Secretary, Exalt Resources Limited and KGL Mining Limited. Chief Financial Officer, Workforce International Group Pty Ltd. Financial Controller and Company Secretary, Scott Corp Limited. Finance Manager, Carrier Transicold. Contract Finance Manager, AHL & Hardware House. Management Accountant, Kerry Ingredients & Foods. Assistant Accountant, CBA & AUSNet. Independent member for NSW Scouts Finance Committee (non-executive). Independent member and Chair for Local Government Professionals Finance Committee (non-executive). Independent member for NSW Public Funds Committee (non-executive).

Retiring Board Members



Debra Just

**Willoughby City Council
Director**

Chief Executive Officer, Willoughby City Council. Fellow of the Planning Institute of Australia. Graduate Australian Institute of Company Directors. Certificate Melbourne Business School (Mt Eliza). Member of Institute of Public Administration. Member of LG Professionals NSW. Member Planning Institute of Australia. Diploma of Education. Master of Arts.

Over 25 years in local and state government and 17 years' experience on water, waste and natural resources management and mutual insurance boards. Chair of Audit & Risk Committee for the Adelaide & Mount Lofty Ranges Natural Resource Management Board. Chair, Planning Committee for the Adelaide & Mount Lofty Ranges Natural Resource Management Board. General Manager Urban & Portfolio Planning, Renewal SA. General Manager, City Strategy & Design at City of Adelaide Council. Member of the Southern Region Waste Resource Authority Board. General Manger, Strategy & Policy at City of Onkaparinga Council. Member of the Onkaparinga Catchment Water Management Board. Teaching staff, University of Adelaide.



Member Representatives

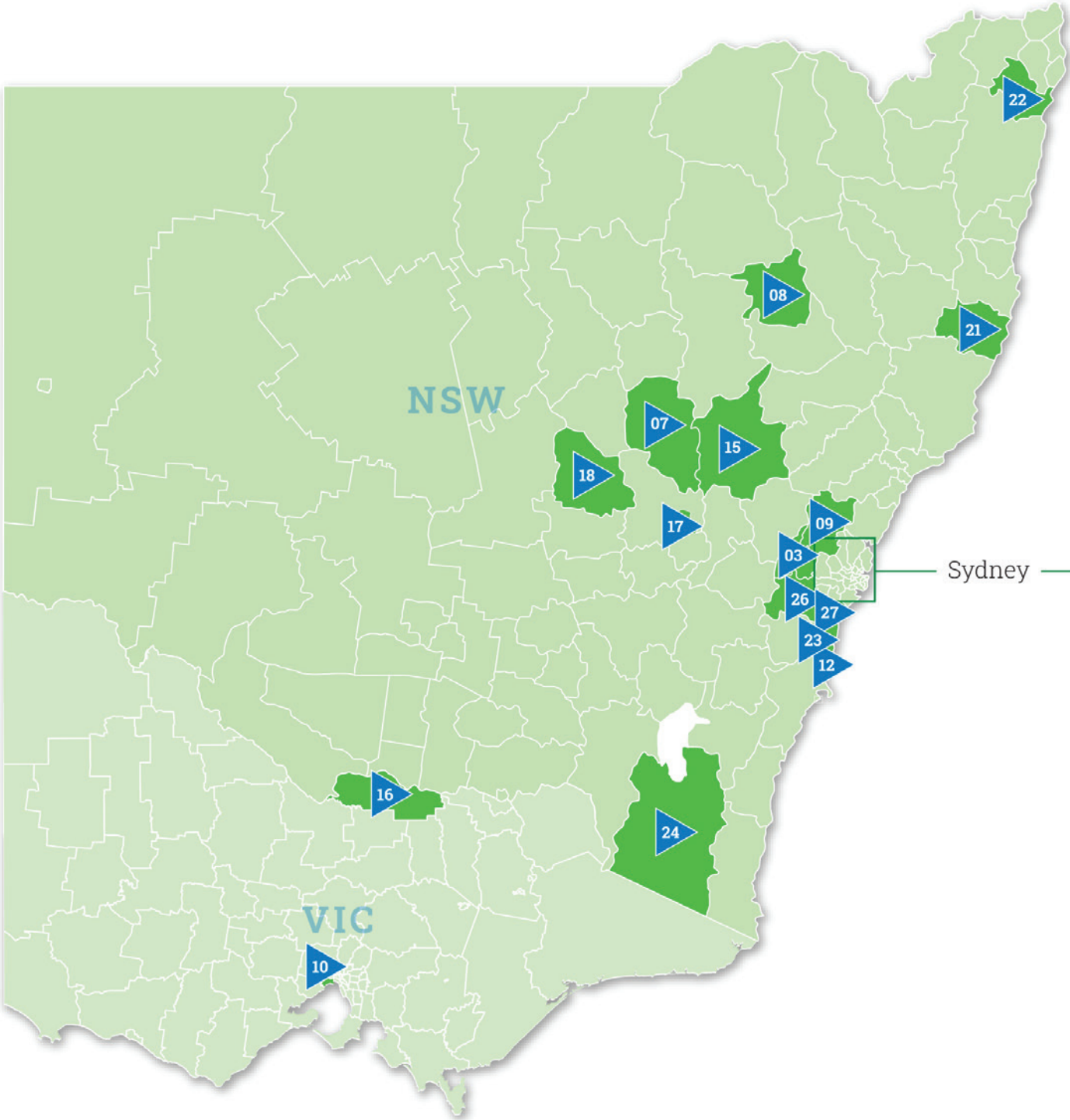
Member Council	Members Assembly	Risk Management Committee	Finance Committee	Underwriting Committee
Bayside Council	Richard Sheridan Helen Tola Andrew Tsounis	Nicole Bardsley Karen Griffiths (Alternate) Doris Te Awa (Alternate)	Luke Phillips	
Blacktown City Council	Chris Quilkey Kerry Robinson OAM Deputy Chair	Ralph Esther (Alternate) Krystle Hendy (Alternate) Peter Thompson	Steven Harris Chair Craig Cura (Alternate)	Steven Harris
Blue Mountains City Council	Rosemary Dillon Rod Chacana (Alternate)	Rod Chacana Rhianna Reid (Alternate)	Neil Derwent	
Burwood Council	Tommaso Briscese John Faker Fab Zincone (Alternate)	Joanne Gad)	Sarah Seaman	
Camden Council	Andrew Carfield Samantha Sharkey	Rebecca Ashdown Taylor Crawford (Alternate)	Paul Rofe Richard Mooney (Alternate)	
Cumberland City Council	Charlie Ayoub Peter Fitzgerald Lisa Lake (Alternate)	Belinda Doig Charlie Ayoub (Alternate) Christian Nehme (Alternate) Neil Reddy (Alternate)	Tony Chahine	
Dubbo Regional Council	Jane Bassingwaighte Skye Stephenson (Alternate) Dean Frost (Resigned)	Skye Stephenson	Stephanie Williamson	
Gunnedah Shire Council	Alice McLean Kelly Stidworthy (Alternate)	Kelly Stidworthy Erin Grob (Alternate)	Colin Green	
Hawkesbury City Council	Paul Veigel Patricia Krzeminski Craig Winn (Alternate)	Craig Winn Lana Cassar (Alternate)	Vanessa Browning	
Hunters Hill Council	Zac Miles Mitchell Murphy Elizabeth Krassoi (Alternate)	Ian Harris	May Vilaythong	
Kiama Municipal Council	Karen Renkema-Lang Jane Stroud	Petrece Simpson Keti Volkanovski (Alternate) Renee Winston (Alternate)	Olena Tulubinska	
Lane Cove Council	Craig Wrightson Stephen Golding	Stephen Golding Chair Melissa Goodwin (Alternate)	KG Bascaran Deputy Chair Stephen Golding (Alternate)	Stephen Golding Deputy Chair
Liverpool City Council	Ned Mannoun Karress Rhodes Michelle McIlvenny (Alternate) Paul Perrett (Resigned)	Michelle McIlvenny	Vishwa Nadan	
Mid-Western Regional Council	Richard Cushway Simon Jones Ashleigh Marshall (Alternate)	Veronika Barry Danielle Blackman (Alternate) Nareeda Endacott (Alternate) Ashleigh Marshall (Alternate) Sharna Ross (Alternate)	Leonie Van Oosterum Neil Bungate (Alternate)	

Member Council	Members Assembly	Risk Management Committee	Finance Committee	Underwriting Committee
Moira Shire Council		Amanda Chadwick Teagan Mittner (Alternate) Nancy Mustica (Alternate) Kelly Findlay (Alternate)	Beau Mittner	
Orange City Council	David Waddell Kevin Duffy (Alternate) Nick Redmond (Alternate)	Scott Cummins Shirley Hyde (Alternate) Janessa Constantine (Alternate)	Hayley Barbetti	
Parkes Shire Council	Anthony McGrath Mikaela Cass Nikki Bevan (Alternate)	Mikaela Cass Nikki Bevan (Alternate)	Jaco Barnard	
City of Parramatta Council	Kellie Darley Bruce Ferguson	Bruce Ferguson Soobhana Biswas (Alternate)	John Angilly Armit Sharma (Alternate)	Bruce Ferguson Chair
Penrith City Council	Ross Fowler OAM Chair Andrew Moore	Anthony Robinson Sharon Hall (Alternate)	Neil Farquharson	
Port Macquarie Hastings Council	Dr Clare Allen Michael Ferguson	Michael Ferguson Ruth King (Alternate)	Rod Archer	
Richmond Valley Council	Vaughan Macdonald Ryan Gaiter	Jenna Hazelwood Kate Allder-Conn (Alternate)	Ryan Gaiter Hayley Martin (Alternate)	
Shellharbour City Council	Chris Homer Flora Lepouras Melinda Fitzgerald (Alternate)	Melinda Fitzgerald Donna Baxter (Alternate)	Jacinta Hepperlin	
Snowy Monaro Regional Council	David Rawlings David Hogan	Luke O'Sullivan David Rawlings (Alternate) Sandy Robinson (Alternate)	Simon Rennie Patrick Dunn (Alternate)	
Willoughby City Council	Debra Just Maxine Kenyon	Dominique Andrews Celine Chiu (Alternate) Samantha Connor (Alternate)	Stephen Naven	
Wollondilly Shire Council	Ben Taylor Caroline Argent	Toni Spence Caroline Argent (Alternate) William Turner (Alternate) Melissa Sutton (Alternate)	Rob Seidel	
Wollongong City Council	Gordon Bradbery AM Todd Hopwood Michelle Martin (Alternate)	Michelle Martin Todd Hopwood (Alternate)	Daniel Pretzler Brian Jenkins (Alternate)	Daniel Pretzler

Affiliate Member	Members Assembly	Risk Management Committee	Finance Committee
The Western Sydney Regional Organisation of Councils Limited (WSROC)	Charles Casuscelli Siobhan Andrei (Alternate)	Charles Casuscelli Siobhan Andrei (Alternate)	Charles Casuscelli Siobhan Andrei (Alternate)

Membership Map

Our membership is comprised of 27 Members: 25 situated in New South Wales and 2 in Victoria. Additionally, we have 1 Regional Organisation Affiliate Member. Collectively, these members represent 32% of all New South Wales Local Government Councils, along with a metropolitan and regional Victorian Local Government Council.



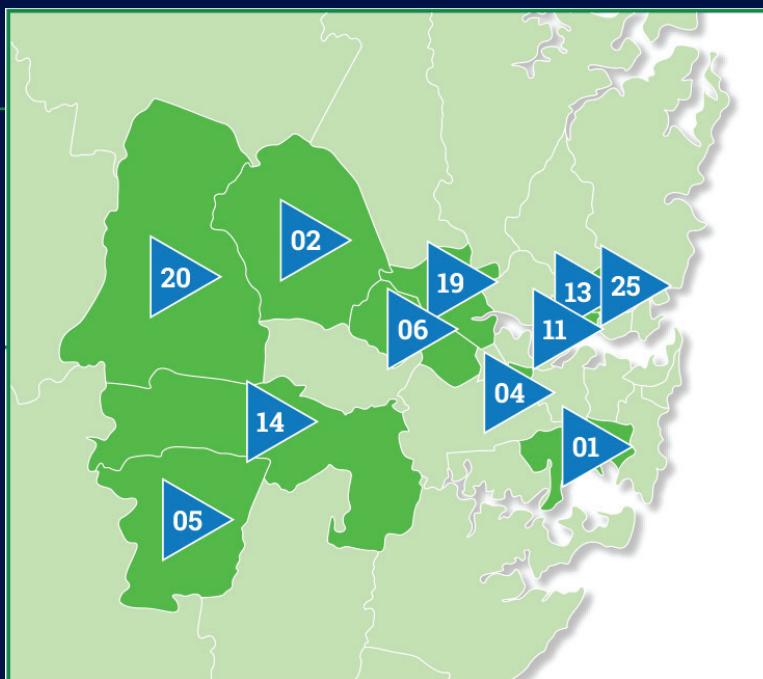
Members

- | | |
|--------------------------------|------------------------------------|
| 01 Bayside Council | 14 Liverpool City Council |
| 02 Blacktown City Council | 15 Mid-Western Regional Council |
| 03 Blue Mountains City Council | 16 Moira Shire Council |
| 04 Burwood Council | 17 Orange City Council |
| 05 Camden Council | 18 Parkes Shire Council |
| 06 Cumberland City Council | 19 City of Parramatta Council |
| 07 Dubbo Regional Council | 20 Penrith Cit Council |
| 08 Gunnedah Shire Council | 21 Port Macquarie Hastings Council |
| 09 Hawkesbury City Council | 22 Richmond Valley Council |
| 10 Hobsons Bav City Council | 23 ShellharbourCity Council |
| 11 Hunters Hill Council | 24 Snowy Monaro Regional Council |
| 12 Kiama Municipal Council | 25 Willoughby City Council |
| 13 Lane Cove Council | 26 Wollondilly Shire Council |
| | 27 Wollongong City Council |

Affiliate Member

The Western Sydney Regional Organisation of Councils Limited (WSROC)

Sydney



Our Performance

Over the past year, our Mutual has flourished. We've witnessed strong financial growth, bolstered by innovation-led savings. Our return to in-person events, amplified by new training initiatives and an updated communication strategy, epitomises our commitment to progress. While we celebrate positive survey feedback and industry support, we have also addressed the challenges of maintaining cover and current property repair concerns.

Highlights

Strong Financial Performance Continues

CivicRisk Mutual continues to perform well with good claims management, strong investment returns and appropriate actions to mitigate the impact of the hard market. The financial performance of the Mutual continues to outperform budget expectations which in turn ensures we maintain a strong capital adequacy to protect us through hard market periods.

Sound Structure Retains Cover

In an era fraught with climate challenges, our Mutual succeeded in preserving flood coverage for all members by modifying our self-insured threshold, ensuring continued support from our reinsurers. This is supported by our strategic approaches to loss prevention and streamlined claims handling, leading to cost reductions. Our dedication is evident as we're ready to share the risk and vouch for our performance. Ultimately, when claims are handled efficiently, both our members and insurers reap the financial benefits.

Captive Innovation Drives Financial Savings

Our wholly owned subsidiary insurance company was established in September 2021 to reduce our property costs and enable access to additional reinsurance markets. The captive has reduced our protection costs by \$10.5 million over the last 3 years. This year the claims have again been contained within our Mutual self-insured layer resulting in no claims incurred by the captive and savings to the members. This has also promoted more interest in our business, maintaining stable insurance costs.

Abundance of Grants for Member Initiatives

This year, \$321,000 was allocated for 18 members' initiatives, including management of risks, cyber health checks, property security, training, and fraud prevention which are all aimed at fostering safer communities.

Enhancing Services for Members

This year we added further resources to our team to help meet the growing need of our members. These resources are member training and risk management focussed to help members implement CRIP recommendations, provide risk management support, facilitating risk management knowledge sharing, developing best practice guides and organise member training.

March Member Forum: A Successful Event

This year's March Member Forum had a remarkable turnout of 77% of our member councils. The forum offered a range of engaging presentations that drew in our audience, enabled attendees to reconnect with familiar peers, and welcomed the chance to meet new ones. It was a collaborative effort that helped determine the strategic direction of the Mutual, demonstrating our dedication to building a solid, united community among our members.

Advancing our Training Sessions

This year, all our members participated in training or support group sessions, with 676 representatives from our member councils in attendance. We focused on delivering 28 bespoke onsite training sessions which support the council staff to manage potential risks on roads, footpaths, tree canopies, contractor management, procurement and climate change. These sessions facilitated knowledge sharing, advocated for best practices, enhanced members' risk maturity, and offered a platform for collaboration and networking.

Members Embrace the Risk Industry Conference

22 risk managers from our member community converged in Sydney to learn and share at the Risk Management Institute of Australasia (RMIA) National Conference. Attendees were treated to practical and relevant sessions on topics such as artificial intelligence, cybersecurity, risk culture, and strategic decision-making, among others.

Honouring a Legacy: David Minty's Induction to the Honour Roll

At this year's Member Forum, we proudly recognised David Minty of Finity Consulting with an induction onto the CivicRisk Mutual Honour Roll. His exceptional contributions and steadfast commitment have been instrumental in propelling our organisation forward. David's retirement marks the end of an era, but his influence remains a guiding force within our business.

Member Engagement

This year, to enhance member engagement, we delivered in person visits for all 27 of our member CEOs. This facilitated sharing of knowledge about the Mutual benefits and performance but more importantly, we could highlight claim performance, areas for improvement and encourage the council to use all member benefits.

Hobsons Bay City Council Joins CivicRisk Mutual

Located west of Melbourne, Hobsons Bay City Council joined CivicRisk Mutual on 1 July 2024. This council brings a mix of industrial and coastal areas to the Mutual. The addition of Hobsons Bay City Council strengthens our presence in Victoria and continues our commitment to delivering outstanding value to our members.

Maintaining Flood Cover

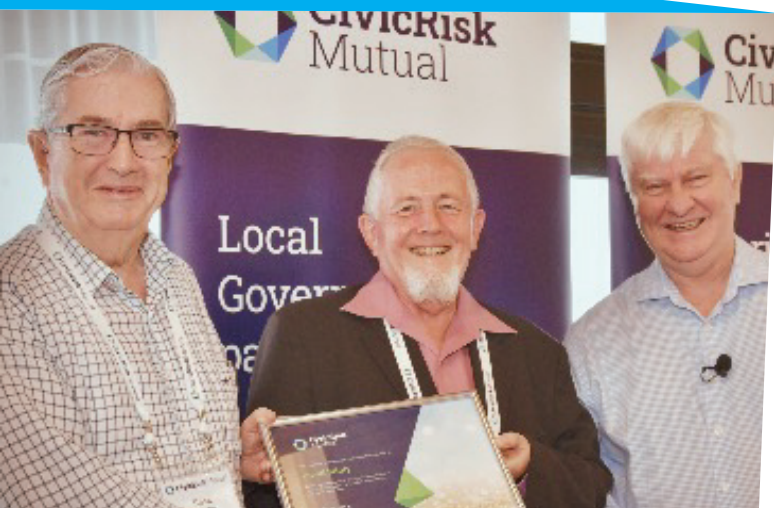
Amidst the forefront of previous catastrophic flood events, the negotiations for flood protection posed considerable challenges. Nevertheless, the Mutual persevered and successfully maintained flood coverage for all its members.

Upholding Cyber Security Cover

Given the surge in cyber-attacks and global instability, the Mutual delved into exploring alternative solutions for cyber protection. While the coverage remained intact, the Mutual is actively supporting its members in elevating their preparedness and exploring additional protection strategies to enhance their resilience.

Addressing Property Repairs in Today's Landscape

Claims inflation, fuelled by prevailing interest rates and persistent supply chain issues from COVID-19 and global uncertainties, has deeply impacted the building industry. The limited availability of repairers and assessors magnified this challenge. Despite this, our Mutual's strength is in our dedicated service providers, ensuring consistent navigation through these disruptions. To pre-emptively mitigate similar future occurrences, we're considering alternative designs to safeguard assets. These include drop-down barriers on weirs, building relocations, elevating electrical components, and collaborating with councils for innovative designs and solutions to resist future losses.



Member Risk Initiatives

Member Risk Enhancement Projects

At CivicRisk Mutual, we actively support our members in enhancing their risk management practices through various risk enhancement projects. These initiatives are designed to tackle specific risks or challenges faced by our members, such as cyber security, natural weather event prevention, asset management, or mental health. The benefits of these projects extend beyond the participating members, offering valuable insights and learnings for the entire Mutual membership.

This year, 18 members applied for funding to enhance or mitigate the risk environment within their councils or communities. Notably, three of these members undertook multiple activities for their councils. In total, \$320,824.20 was approved and granted to members for the financial year. Among the 18 members, three have high-profile projects that will extend into the new financial year, with expected completion by the end of 2025.

A number of our members concentrated on their Business Continuity Frameworks to strengthen organisational resilience. This comprehensive effort involved:

Review of Business Continuity Frameworks

Members meticulously examined their existing Business Continuity Plans (BCPs) to identify gaps and areas for improvement.

Streamlined Documentation

The documentation was refined to ensure it is straightforward, practical, and easy to understand.

Enhanced Activation of BCPs

The updated documentation facilitates the activation of BCPs in a streamlined and realistic manner, ensuring swift and efficient responses during disruptions.

These initiatives are crucial for maintaining operational continuity and minimising downtime during unforeseen events, thereby safeguarding organisational assets and stakeholder interests.

Excellence in Risk Management Awards

Each year, we recognise and celebrate the outstanding achievements of our members in managing and mitigating risks through the Risk Awards. These awards showcase best practices, innovations, and successes in various categories such as risk leadership, risk culture, risk resilience, and risk communication. In 2023, we received 7 nominations from across the Mutual, reflecting the diversity and excellence of our members. We congratulate all the winners and nominees for their dedication and contribution to the Mutual's risk management goals.

Award Winners

CivicRisk Mutual Risk Excellence Award Cumberland City Council

Cumberland City Council exemplifies commitment with their 'Water Safety Program'. In response to pandemic-

induced challenges, they instituted a comprehensive swim safety campaign, setting a benchmark for Mutual members across diverse communities. This award includes a \$3,000 funding grant.

Les Emerson Claims Mitigation Award Cumberland City Council

Cumberland City Council also merits distinction for the 'Sydney Cherry Blossom Festival'. After a two-year hiatus due to COVID-19, their meticulous planning and strategic partnerships ensured an enhanced and secure experience for over 100,000 attendees. This award includes a \$2,000 funding grant.

WTW Risk Management Award Richmond Valley Council

Richmond Valley Council's adept '2022 Flood Response' epitomizes foresight and strategic planning, addressing both immediate repercussions and long-term contingencies. This award includes a \$2,000 funding grant.

Cyber Security Award Penrith City Council

Penrith City Council has demonstrated resilience and proactivity with 'SafeConnect - A Cyber Safe Council'. In an evolving post-COVID digital landscape, their cybersecurity initiative stands as a paragon of protection and adaptability. This award includes a \$2,000 funding grant.

Motor Vehicle Safety Award Shellharbour City Council

Shellharbour City Council's 'Recovery of Bugged Vehicles' initiative underscores their dedication to enhancing operational efficiency and safety in the face of unforeseen challenges. This award includes a \$2,000 funding grant.

Congratulations to all our winners for their exceptional work in risk management. Your achievements are an encouragement to all our members.

Our Priority: Member First

Our unwavering focus is on member commitment, aiming for economic excellence and unmatched market protection. We prioritise strong collaboration and deepening member ties. Beyond being industry contributors, we seek to enhance its ecosystem's value. Rooted in shared success, our dedication aligns with the Mutual Value Measurement Framework, for which we're accredited by BCCM.









Our Concise Financials

Just as we pride ourselves on exceptional service to our members, we are equally committed to maintaining the utmost clarity and responsibility in our financial endeavors. At CivicRisk Mutual, every dollar accounted for is a reflection of our strategic intent, operational prudence, and the unwavering trust our stakeholders bestow upon us. In this section, we've distilled our financial story into key highlights, ensuring a transparent and accessible overview of our fiscal journey over the past year.

CivicRisk Mutual Limited

Financial Highlights

Our summarised financial statements outline the financial performance of CivicRisk Mutual Limited for 2023/24 which have been prepared in accordance with relevant accounting standards.

The 2023/24 financial year has been another very successful year with low claims experience and strong investment earnings turning into a solid surplus year for members. The commitment of the members to establish a wholly owned subsidiary to purchase reinsurance has continued to prove a sound strategic decision and saved members \$10.5 million over the last 3 years. Through our members working together and carefully considering the budgets, contributions, coverage and capital, they have ensured the Mutual rebounds from a challenging year of claims in 2021/22.

The financial statements include the consolidation of the wholly owned subsidiary captive insurance company, CivicRisk Insurance Limited, of which with the external audit, requires no adjustments and the full general purpose financial statements are available to members.

It is with the valued assistance of the Finance Committee; actuary, Alycia Jeffrey of Finity Consulting; the investment advisor, Andrew Vallner of CPG Research and Advisory; and the auditor, Peter Hersh of Loggica Assurance that the Mutual has maintained a sound financial platform. The Mutual has enhanced its long-term financial stability for members by continuing to build a surplus, which aids in smoothing member contributions and enabling the return of funds to members.





\$98.9m

Mutual's accumulated surplus



\$18.5m

Surplus generated for members in 2024



36%

of contributions returned in surplus
reducing member insurance costs



\$29.8m

Members' surplus returned in last
10 years



\$15.3m

Total claims provisions



7.46%

Annualised return on investments
in 2024



71%

Combined ratio (claims/protection
program of contribution)



\$104.9m

Assets under investment at
30 June 2024



202%

Capital target over industry benchmark



7.6

Times assets to cover claims provisions

CivicRisk Mutual Limited Financial Statements

As at 30 June 2024

ABN: 48 605 323 948

STATEMENT OF FINANCIAL POSITION	2024	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$10,489,029	\$17,524,731	\$4,884,065
Receivables	\$2,673,989	\$2,947,420	\$1,942,514
Prepayments	\$8,837,140	\$8,470,390	\$7,253,098
Other Current Assets	\$34,536,941	\$6,533,795	\$8,833,847
TOTAL CURRENT ASSETS	\$56,537,099	\$35,476,336	\$22,913,524
NON-CURRENT ASSETS			
Property, Plant and Equipment	\$6,874,189	\$6,678,151	\$6,870,154
Other financial assets	\$53,165,683	\$62,980,417	\$59,400,059
TOTAL NON-CURRENT ASSETS	\$60,039,872	\$69,658,568	\$66,270,213
TOTAL ASSETS	\$116,576,971	\$105,134,904	\$89,183,737
LIABILITIES			
CURRENT LIABILITIES			
Claims Provisions	\$9,020,640	\$10,439,337	\$11,391,005
Employee Entitlement Provisions	\$742,597	\$650,777	\$490,263
Other Current Liabilities	\$1,665,532	\$5,583,411	\$1,370,910
TOTAL CURRENT LIABILITIES	\$11,428,769	\$16,673,525	\$13,252,178
NON-CURRENT LIABILITIES			
Claims Provisions	\$6,262,958	\$8,046,000	\$11,166,000
Employee Entitlement Provisions	\$6,508	\$11,107	\$5,823
TOTAL NON-CURRENT LIABILITIES	\$6,269,466	\$8,057,107	\$11,171,823
TOTAL LIABILITIES	\$17,698,235	\$24,730,632	\$24,424,001
NET ASSETS	\$98,878,736	\$80,404,272	\$64,759,736
MEMBERS FUNDS			
Accumulated Surplus - Beginning of Year	\$80,404,269	\$64,759,730	\$64,457,002
Operating Surplus (Deficit)	\$18,474,467	\$15,644,539	\$2,191,728
Less Return of Members Funds	\$0	\$0	(\$1,889,000)
TOTAL MEMBERS FUNDS	\$98,878,736	\$80,404,269	\$64,759,739
STATEMENT OF FINANCIAL PERFORMANCE			
Revenue From Continuing Operations	\$58,762,704	\$52,554,329	\$38,304,335
Underwriting & Claims Costs	(\$37,265,988)	(\$34,438,839)	(\$34,470,087)
Administration Costs	(\$3,022,249)	(\$2,470,951)	(\$1,642,520)
OPERATING SURPLUS (DEFICIT)	\$18,474,467	\$15,644,539	\$2,191,728

The financial statements are consolidated audited general purpose reports prepared for the members in accordance with the accounting policies and standards listed in the notes to the financial statements. A full copy of the financial statements are available upon request.





CivicRisk Mutual

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